

annual report 2013-14



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Designed by: Common Sans, 1729, Sector-31, Gurgaon, Haryana
Printed by: Bhavya Offset, 252 A (First Floor), ShahpurJat, New Delhi



CBGA

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Contents

Message from the President	P4
Foreword	P5
Vision and Objectives	P7

Research	P8
Policy Engagement and Communications	P14
Capacity Building	P22
Collaborations and Partnerships	P24
Strengthening Organisational Performance	P27
Publications	P28
Positive Developments	P31
Challenges	P34
Way Forward	P34

Board of Trustees	P35
CBGA Team	P36
Our Funders	P37

Information Pertaining to Disclosure Norms	P38
Treasurer's Report	P39
Financial Summary	P40

Centre for Budget and Governance Accountability (CBGA) plays an important role in drawing attention to several public policy issues in India such as the magnitude and quality of public expenditure in social sectors, policy strategies for social inclusion, taxation and social justice, fiscal decentralization, and clean energy and sustainable development. Considering that the perspectives and performance of political parties have influenced some of the electoral verdicts in the recent years, the relevance of CBGA's work and its studied commentary on governance and budgets has gained credence. In fact the responsibility of CBGA is now even more as it focuses extensively on issues relating to transparency and accountability in governance.

Along with an attempt to create spaces for accountability and transparency through its rigorous analysis of public policy and dissemination of the same, CBGA has also fostered people's participation on these profound issues by demystifying them.

It has at the same time stood for progressivity in the government's 'fiscal policy' so as to make its interventions across sectors more responsive to the needs and rights of the underprivileged sections. In this context, CBGA's efforts in the domain of analysing India's fiscal policy and related practices have attained significance.

In the year 2013-14, CBGA has continued to pursue substantive research and advocacy efforts pertaining to both policy analysis and governance accountability. Thus many of its initiatives are shaping up as collaborations with other like-minded actors in the civil society as for example the budget groups at the state level, National Alliance for Maternal Health and Human Rights, and Pension Parishad, and academic institutions like Mumbai University's Dept. of Economics and Cochin University of Science and Technology's Centre for Budget Studies.

It is hoped that in the coming years, the organization will deepen its work and include studies on inequality, urban poor, progressivity in taxation policies, budget transparency at the grassroots level and so on enabling it to meet the high expectations and confidence many institutions have reposed in it.

On behalf of the Board of Trustees of CBGA, I would like to thank the institutions that have supported the organization financially as well as all our co-travellers. We look forward to strengthening our partnership with all important stakeholders in the coming years.

Shantha Sinha

President of the Board of Trustees,
Centre for Budget and Governance Accountability

2013-14 has been a demanding but productive year for CBGA. It has witnessed a concerted effort by the organisation to adopt reasonably long term strategies for contributing towards the progressive changes it has envisioned in fiscal policy and governance processes in the country.

CBGA, in collaboration with its partners in the civil society network People's Budget Initiative (PBI), has completed an ambitious study on "What Ails Utilisation of Funds in Development Schemes?", which would add a lot of value to the policy discourse in the country on the magnitude and quality of public expenditure in social sectors. The organisation's research and dissemination efforts on policy strategies for social inclusion (such as, Gender Responsive Budgeting, Scheduled Caste Sub Plan and Tribal Sub Plan) have made considerable progress. Through its conferences and policy briefs, CBGA has tried to highlight useful perspectives, methodologies and evidence from other developing countries on the issue of progressivity in taxation policies – an area that is drawing attention in the policy discourse not only in developing countries like India but also in several developed countries. The past year has also witnessed a stronger attempt by the organisation to generate relevant evidence pertaining to policy priorities for clean energy and sustainable development. Moreover, keeping in mind the untapped potential of fiscal decentralisation in India and the importance of the recommendations to be made by the 14th Finance Commission, CBGA has pursued substantive research on a number of issues pertaining to Centre-State fiscal relations and Panchayat finances.

In the context of the problem of growing inequality in India and other developing countries as well as the need for influencing global policymaking processes (such as those at the G20 and BRICS) to address it, we have started engaging with civil society organisations in other BRICSAM countries to foster our research and advocacy work on some of the major dimensions of inequality. Likewise, recognising the need for greater transparency in the global financial system and international taxation practices, CBGA has also stepped up its engagement with the Financial Transparency Coalition – an international collective of think tanks and civil society organisations that is working towards this objective.

At the same time, CBGA has also made substantive efforts to provide useful research inputs to civil society coalitions (like Wada Na Todo Abhiyan, National Alliance for Maternal Health and Human Rights, and Right to Education Forum) and campaigns (such as, Pension Parishad) within the country. It has also taken steps towards forming collaborations with academic institutions like the Economics Department of Mumbai University and the newly set up K. M. Mani Centre for Budget Studies of Cochin University of Science and Technology.

One of the critical challenges in the domain of our dissemination efforts over the last few years had been our inability to reach out to the youth in our country. In 2013-14, CBGA struck a partnership with the Union Government published Employment News, as part of which our colleagues have published articles on contemporary public policy and development issues in this 'weekly' at regular intervals (in two out of four issues of Employment News every month). We have also published a number of articles in another Union Government publication,

Yojana, over the last year. Both these publications command the attention of all those educated youth in our country, who are looking for employment in the public sector; hence, being able to reach out to this important segment of the country's population has been one of the most encouraging developments for us recently.

On the organisational development front, we have consolidated some of our efforts last year, with continued focus on enhancing the capacity of the organisation's human resources. We have also been able to diversify the funding portfolio of CBGA by forming partnerships with some of our new funders.

However, we do recognise the gaps and challenges in various spheres of our work, which would need to be addressed in the coming years. Along with working intensely towards deepening our strategies and efforts so as to address the challenges, we would also step up our research work in a number of critical areas, like, budget transparency at the grassroots level, taxation policies, issues confronting the urban poor, financing of the Right to Education, and public spending on healthcare, in the coming years.

Subrat Das
Executive Director
Centre for Budget and Governance Accountability

Centre for Budget and Governance Accountability (CBGA) was set up in 2005 with the mandate to promote transparent, accountable and participatory governance, and a people-centred perspective in preparation and implementation of budgets in India and elsewhere.

Over the last decade, CBGA has evolved as a proactive, enabling and learning organisation, which promotes:

- Transparent and accountable governance;
- People's participation in the discourse and processes of governance; and
- Pro-people and rights-based policy environment, equity and social justice.

The mandate for CBGA has led us to adopt a number of strategies that shape the various interventions by the organisation; these are:

- Assessing the priorities underlying government budgets and their implications for underprivileged sections of the population;
- Demystifying the discourse on budgets and governance and facilitating public understanding of these issues;
- Encouraging people's participation in the discourse and processes relating to budgets and governance;
- Enhancing the capacity of social action groups for using budget work in their efforts pertaining to governance accountability;
- Advocating for a pro-poor and pro-marginalised perspective in budgetary policies;
- Advocating for transparent, accountable and pro-people governance; and
- Strengthening advocacy efforts by the larger civil society for transparent, accountable and pro-people governance.

Budget Transparency at the Grassroots Level

What Ails Utilisation of Funds in Development Schemes?

The study undertaken by People's Budget Initiative (PBI), a network of civil society budget groups in India, covers six flagship schemes of the Union government for which fund tracking exercises have been carried out in 13 districts across 11 States in India. The study aims to understand patterns of fund flow at the district level and the constraints in effective utilisation of funds.

A Primer on Planning and Budgetary Processes at the District Level

The primer focuses on issues of planning and budgeting at the district level in India. This includes mapping of fund flows into a district, analysing the District Plan developed by the District Planning Committee, **Zilla Parishad's** budget and a brief discussion of those Centrally Sponsored Schemes that are implemented by local bodies.

Taxation Policies and Social Justice

CBGA continues to consolidate research on tax policies to enhance public understanding on these issues in the national and international context. Research is currently underway on the following topics:

- Examining the Proposal for Goods and Services Tax
- Implications of India's Double Taxation Avoidance Agreements (DTAAs) for tax revenue and financial transparency
- Transfer Pricing Issues in India

Building on research generated last year, an international conference on tax was organised to present our findings and learn from other developing country contexts. Research inputs were also provided towards a documentary on tax dodging, focusing on the role of Mauritius as a tax haven.

Structural Issues in Fiscal Federalism

Research on Issues and Challenges before the 14th Finance Commission

Towards strengthening CBGA's engagement with the Finance Commission, a formal response to the TOR of the 14th Finance Commission was submitted. There would be further submissions to the 14th Finance Commission on issues related to the following:

- Addressing staff shortage in key development sectors in the states in order to ensure effective utilisation of budgetary allocations in the states

- Redesigning taxation policies to enhance allocations for social sectors to help the government mobilize adequate resources;
- Increasing the proportion of untied transfers to states and providing greater flexibility and fiscal autonomy to the states to enable them to use resources in accordance with local needs and priorities; and
- Strengthening participatory planning and budgeting so as to step up pressure on government authorities to use the funds judiciously.
- Suggestions to the 14th Finance Commission on Renewable Energy

Devolution of Functions and Finance: Comparing Uttar Pradesh, Rajasthan and Kerala

The research paper has been published in an edited volume "Decentralization and Development: Experience and Experiments" by Kerala Institute of Local Administration, Govt. of Kerala, Thrissur. The paper has attempted to assess the extent of devolution of finance and provide insights in to the structure of panchayat budgets in Uttar Pradesh, Rajasthan and Kerala.

Improving the Magnitude and Quality of Expenditure in Social Sectors

Financing of Right to Education

In the context of financing of Right to Education Act, implemented in 2010, a working paper is currently being developed reviewing the existing literature and providing an overview of the expenditure data on elementary education based on budgetary provisions in Union and State budget.

Assessing Priority for Rural Water and Sanitation in Public Spending (focusing on Madhya Pradesh)

Research outputs assessing major Central schemes for provisioning of drinking water and sanitation in rural areas, based on field investigations in Sehore district in Madhya Pradesh, are being finalised for publication. The research studies focus on:

- Constraints in utilization of funds in schemes for rural water and sanitation
- Life Cycle Cost Analysis (LCCA) of public spending on rural

CBGA carries out research on public policies and budgets from the perspective of poor and disadvantaged sections of population i.e. women, children, scheduled castes, scheduled tribes, Muslims, persons with disabilities and urban poor.

RESEARCH THEMES

- Education
- Health
- Drinking Water and Sanitation
- Agriculture and Food Security
- Rural Development
- Renewable Energy
- Gender Responsive Budgeting
- Budgeting for Scheduled Castes and Scheduled Tribes
- Budgeting for Children
- Budgeting for Minorities
- Urban Poor
- Fiscal Federalism
- Taxation
- Budget Transparency

water supply; and benchmarks for assessing the adequacy of public spending on rural water and sanitation in India

- Budgets for rural water and sanitation from the perspective of social inclusion

Agriculture and Food Security

District-level Study on Agriculture (focusing on Rainfed Agriculture)

The study aims to identify all plan schemes pertaining to agricultural development formulated and implemented in select states and districts during the 11th Plan. Further, the study proposes to examine the process of flow of funds from Central Government to the districts to assess the extent and pattern of utilisation of available funds in select schemes. Major constraints or gaps in effective utilisation of earmarked budgets will be identified and relevant policy recommendations will be suggested.

Food Security in India in the context of National Food Security Act 2013

The National Food Security Legislation has occupied a central place in the public policy debates in India in recent times and a number of stakeholders have raised concerns about the implementation of the legislation. In this context, CBGA has initiated a research study on implementation of the legislation focusing on States like, Chhattisgarh, Odisha and Tamil Nadu, so as to generate evidence on the kind of institutional and procedural reforms that would be required in all States for effective implementation of the legislation. A Discussion Paper focusing on the legislation in the context of broader food security concerns in India is also being developed.

Fiscal Policy and Social Inclusion

Ensuring Good Governance and Effective Institutions: Can We Afford to Ignore Capacity

RESPONSE TO UNION BUDGET

Response to Union Budget is a publication which CBGA prepares every year following the presentation of the Union Budget in Parliament. The draft version of this publication is brought out within 24 hours of the presentation of Union Budget in Parliament, which is shared with a large number of Members of Parliament, civil society leaders and media representatives.

This publication focuses on social sectors, such as, health, education, water and sanitation and food security, and, some of the economic sectors, such as, Agriculture and Rural Development. It also discusses the implications of the Union Budget for disadvantaged sections of the population, such as, women, children, dalits, adivasis, religious minorities, and persons with disabilities.

Issues?- Paper in relation to debates on post-2015 international development goals

'Southern Voice on Post-MDG International Development Goals' is a network of 48 think-tanks from Africa, Latin America and South Asia which has identified a unique space to contribute to the post-2015 dialogue. CBGA staff contributed with a research paper towards these efforts exploring the significance of capacity of governance with reference to the experience of public policies and their implementation in India over the past decade.

Discussion Paper on Universalizing Old Age Pension Entitlements in India

The paper provides an overview of the Constitutional provisions and guarantees on social security, locating internationally accepted framework of social security/protection provisioning and role of the 'State' in this regard. An analysis of the scope and coverage of social security provisioning has been carried out with respect to some of the developing and developed countries vis-à-vis the situation in India. Further, mapping of resource requirements, extent of coverage and sources of augmenting resources to finance old age pension provisioning has been discussed.

Old Age Pension Entitlements in India: A Factsheet

The factsheet provides an overview of pension provisions in the country, including a state-wise comparison of monthly pension amounts. This was prepared for Pension Parishad, an initiative to ensure universal pension to all workers in India.

Review of Budgetary Policies under UPA-I and UPA-II

Wada Na Todo Abhiyan, in collaboration with civil society organisations undertook a review of nine years of the UPA government's performance, along with the principle opposition party. The review highlighted the gaps and achievements of the government in fifteen broad areas. CBGA contributed to this report with analysis focusing on the budgetary policies, highlighting the key concerns with the budgetary policies followed by the UPA I and II, its implications for critical sectors and disadvantaged sections of population.

Exclusion in Budgetary and Planning Processes

To be published in the forthcoming 'India Exclusion Report

GENDER RESPONSIVE BUDGETING

Gender Responsive Budgeting is a policy strategy that aims to amend major processes in the country's fiscal architecture, which is vast and complex, and hence proper implementation of GRB needs adequate time. The reporting of fund allocations in the Gender Budget Statement, which should have been seen only as a means to facilitate improvements in the budget processes and policies in favour of women and girl children, seems to have been perceived by many Ministries / Departments as an end in itself. Nonetheless, there have also been a few encouraging stories of relevant efforts being made at the level of a State Government or Union Ministries, and such efforts need to be replicated elsewhere.

With this backdrop, CBGA has published a study on Gender Responsive Budgeting in the Union Government and selected States which highlights both the gaps and some positive developments.



Source: Budget Track, July 2013, CBGA

2013-14', the chapter provides an assessment of the responsiveness of plans and budgets in India to some of the largest excluded sections of the population- Dalits, Adivasis, religious minorities and women.

Urban Poor

Study on Improving the Living Conditions of Young Children in Urban Poverty

The study was initiated this year and will examine government budget allocations and actual expenditure on sectors that have an impact on well-being of young children in urban slums. It will focus on interventions like JNNURM and Rajiv Awaas Yojana, and, other possible interventions by the Union Government, State Governments and Municipal Corporations covering Andhra Pradesh, Madhya Pradesh, Maharashtra and Odisha. Bottlenecks in the planning and budgetary processes as well as in service delivery institutions that might constrain effective utilization of public resources would be analysed to suggest corrective policy measures.

Clean Energy and Sustainable Development

Priorities in Budgets for Adaptation to Climate Change: Analysis from a Gender Lens

Empowering CSO Networks in an Unequal Multi-Polar World

CBGA has joined a collaborative project which aims to empower CSO networks across Brazil, Russia, India, Indonesia, China, South Africa and Mexico (BRICSAM countries) to engage in global policy platforms focusing on issues of inequality.

It aims to influence:

- Global governance structures by expanding the presence and formal role of civil society
- Agenda setting (at national, regional and global levels) by influencing the issues under discussion to include development and inequality
- Policy commitments made by these institutions.

The study attempts to address the issue of gender concerns within the policy frameworks developed by select states in India, through their State Action Plans on Climate Change. It puts forth an indicative assessment of the quantum of public expenditure for addressing the gender concerns within the adaptation framework. The states selected for the study are Madhya Pradesh, Uttar Pradesh, Uttarakhand and West Bengal.

Assessing Expenditure Priorities for Low Carbon Strategies for Transport Sector

This methodology paper on transport sector would be populated with the relevant data on Union Government expenditure on Low Carbon Economy (LCE) over the last five years. This output would – (i) provide the baseline for LCE expenditures with regard to transport sector, (ii) discuss the prevailing composition of Union Government expenditure promoting LCE with respect to transport sector, and (iii) assess cross-sectoral implications of Union Government's policies for transport sector.

Inequality

Empowering Civil Society Networks in an Unequal Multi-Polar World

The focus of this initiative is to influence the agenda setting at national and global levels by including development and inequality among the issues under discussion. These issues are trans-boundary in nature and require consensus and political will at both national and international levels. Against this background, research on the following thematic areas is underway:

- Educational Inequality in India
- Inequalities in Financing Healthcare in India
- Gender Inequalities in India
- Wage Inequality in India
- Taxation and Inequality in India

Promoting People's Voice in the Budget Processes in India

Expectations on Budgetary Priorities from the Next Union Government

Building on efforts to democratise budgets by giving people's voice its due space in budget processes, People's Budget Initiative (PBI), a network of civil society budget groups in India, organised Regional Conventions and a National Convention to discuss and articulate policy and budgetary expectations from the next Union Government.

Representatives of over 300 civil society organisations from nearly twenty states participated in the deliberations of these Regional Conventions held in Madhya Pradesh, Andhra Pradesh, Jharkhand, Gujarat and Assam.

In these Regional Conventions, the issue of limited transparency in government budgets in India at different levels (Union Government, States Governments and at the District Level) was also discussed. This lack of transparency has been a hindrance for civil society organisations and local communities to participate meaningfully in discussions on budgetary priorities. Against this background, People's Budget Initiative (PBI) and Global Movement for Budget Transparency, Accountability and Participation (BTAP) undertook efforts to enhance budget transparency with Charter of Demands on Budget Transparency for all three levels of governance. PBI will further strengthen work in this area in the coming years.

Advocacy and Outreach in Asia on Illicit Financial Flows and Promoting Transparency in the Global Financial System

CBGA, as part of Financial Transparency Coalition, is working on strengthening the network of organisation in Asia along with participating in the coalition's global advocacy efforts towards curtailing

PEOPLE'S BUDGET INITIATIVE

People's Budget Initiative (PBI) is a civil society coalition, which promotes the inclusion of people's movements, grassroots organisations and NGOs in the policy processes that determine the priorities underlying government budgets in India. CBGA serves as the Secretariat for PBI.

PBI works towards:

- Empowering civil society organisations and people's movements to participate in the discourse on priorities for the Union Budget and State Budgets.
- Improving transparency in the flow of funds and their utilization in government schemes.
- Strengthening the efforts of grassroots-level civil society groups to hold the government accountable for its policies and budgets.

illicit financial flows through the promotion of a transparent, accountable and sustainable financial system. The network currently consists of members from Afghanistan, Bangladesh, China, India, Indonesia, Nepal, Philippines and South Korea.

A joint project on illicit financial flows will be initiated next year along with partners from Afghanistan, Bangladesh, China, Indonesia and Philippines. This will include country-specific policy briefs followed by a roundtable to strengthen civil society efforts to engage on these issues.

Engagement with Media

Institutional Partnership with Employment News

In July 2013, CBGA finalized a one year partnership with Employment News to contribute articles focusing on economic and public policy issues relevant for the country, under its column, State of the Economy. The purpose is to help enhance the understanding of young people on various economic policy issues and encourage CBGA to expand the lens of its analysis from budgets and governance issues to other domains of economic policy.

A total of 16 pieces published between Aug 2013 and March 2014

Contributions to Yojana

The following contributions were made to Yojana, a magazine published by the Union Government:

- i) Budget for Education : A Factsheet
- ii) The Indian Growth Trajectory
- iii) NFSA: Budgetary Implications for Adequate Provisioning of Storage Capacity
- iv) Scheduled Caste Sub Plan and Tribal Sub Plan

Other Featured Articles

Special Category Status And Current Demands By Specific States, Employment News, April 2013

Evaluating Global Crisis: The Feminist Way, book review of 'Harvesting Feminist Knowledge for Public Policy', edited by Devaki Jain and Diane Elson, published in The Book Review, Volume XXXVII Number 5, May 2013

Topics for articles published in Employment News (August 2013- March 2014)

- Food Security
- Depreciation of the Rupee
- Women's Employment- Trends and Patterns
- Debate on Poverty Measures in India
- India's Current Account Deficit
- Fiscal Deficit
- Foreign Direct Investments
- Infrastructure
- Provisioning of Electricity
- Goods and Services Tax: Challenges and Opportunities
- The Debate on Subsidies
- Issues before the 14th Finance Commission
- Issues relating to Black Money
- Fund Utilization in Development Schemes
- G-20 and its relevance to India
- BRICS: Prospects and Challenges

Transparency in Government Budgets, published in REVIEW, the monthly publication by Bombay Chamber of Commerce and Industry, August 2013

Give developing countries a seat at table on global tax rules, Thomson Reuters Foundation, September 2013

National Policy for Children 2013: High on Promises, Low on Budget, Commentary in Economic and Political Weekly, December 2013.

Social Media

To increase visibility of our work, popularise our messages and reach out to a wider audience, CBGA made a foray into social media this year with a Facebook page, Twitter account, LinkedIn profile and YouTube channel.

CBGA has also started engaging with civil society groups working on the issue of open data, an area that we will strengthen our efforts in future.



A Thin Dividing Line- Documentary on Tax Dodging in India, focusing on the role of Mauritius as a tax haven

In the interest of enhancing public understanding of tax issues in India, CBGA supported Paranjay Guha Thakurta, an independent journalist and educator, to direct a documentary exploring different dimensions of the debate around the use of tax havens like Mauritius. The documentary was screened at the International Conference on Tax organised by CBGA on 25-26 November, 2013.

Engagement with Policymakers

Submission to 14th Finance Commission

A formal submission was made on 'Suggestions on Issues Related to the Terms of Reference of the Fourteenth Finance Commission' with the following broad observations:

- The inability of the State Governments to address the problem of staff shortage
- Increased inclusion of the 'non-core mandate' issues in the TOR raise a concern
- Further democratisation of Grants-in-Aid to Local Bodies

Meetings with Members of Parliament

Efforts to sustain engagement with Members of Parliament continued and we shared findings from our publications with MPs from across different political parties. Meetings were held with some Parliamentarians for more in-depth discussions on some of our issues. We also saw the participation of Members of Parliament from three political parties in our National Convention to discuss budgetary priorities from the next Union Government.

ADVOCACY EVENTS ORGANISED BY CBGA

Asia Regional Conference on Financial Transparency: Challenges and Opportunities for Developing Countries

Financial Transparency Coalition held its first regional conference in partnership with CBGA in New Delhi. The conference was attended by close to 90 participants, including members of the Asia network that CBGA is coordinating from Indonesia, Bangladesh, Afghanistan, Nepal, Pakistan and South Korea. The aim of the conference was to exchange information and ideas, strengthen the regional network and provide network members with financial transparency advocacy tools. Following the conference, a strategy session was organised for Asia network members to discuss coordination of work at the regional level.

Issues and Challenges for the 14th Finance Commission: A Roundtable

The Roundtable on the 14th Finance Commission (FC) was held with the objective of identifying important issues and challenges for the FC. The discussions centred on the mandate of the FC as provisioned under the Indian Constitution. The common concerns that emerged from the discussion are as follows:

- Questionable role of FC reflected in the extra-Constitutional agenda in its Terms of Reference.
- Current nature of specific purpose grants working against the spirit of fiscal federalism
- Several expenditure limits on States imposed by the Centre in the name of fiscal consolidation raises important concerns related to the fiscal autonomy of the States.
- The suggestion of cess and surcharge to be brought within the divisible pool of central taxes needs further inquiry.
- The objective basis of vertical devolution criterion needs to be more transparent and inclusive.
- On the issue of Goods and Services Tax (GST), there is an urgent need to evolve a well drafted position articulating and addressing the concerns of the States.

Panel Discussion on “Public Policies and Social Protection: Brazilian Experience and Lessons for India”

Brazil's government expenditure on social sectors, as compared to the size of its economy, has been substantial. Brazilian government has been spending about 10 percent of GDP on health and education and nearly 12 percent of GDP on pensions for social security, transcending from a medium social spending to a high social spending country. In the context of the debates and discussions surrounding the initiation of cash transfer programmes and other social schemes in India, a panel discussion was organised to understand lessons that could be learnt from the Brazilian experiences.

Regional Conventions on “People's Expectations on Budgetary Priorities from the New Union Government”

Five regional conventions were held by People's Budget Initiative, facilitated by CBGA, to assess people's expectations on budgetary priorities from the new Union Government.



- For the Eastern Region in Ranchi- September 30, 2013
- For the Southern Region in Hyderabad- October 4, 2013
- For the Northern and Central Region in Bhopal- October 4, 2013
- For the Western Region in Ahmedabad- October 5, 2013

National Convention on “People's Expectations on Budgetary Priorities from the New Union Government”

In order to consolidate the expectations emerging from civil society organisations in different regions and national level civil society alliances, People's Budget Initiative organised the National Convention in New Delhi on 24th and 25th of October 2013.

Some members of People's Budget Initiative also carried out a study focusing on fund flow and fund utilization in a number of development schemes (viz. SSA, NRHM, NRDWP, NBA, MGNREGS and RKVY) in selected districts across a few States; the findings of this study was released in the National Convention on the first day.

International Conference on “Taxation Policies and Development: Challenges and Emerging Opportunities”

Over the last decade, the policy community in several parts of the world has paid a lot of attention to domestic resource mobilisation in developing countries, as opposed to aid, as a sustainable means of financing social development. Revenue mobilisation is also seen as a critical aspect of state and institution building in developing countries, with a focus on



addressing inequality and social justice. In this context, the two day conference brought together academics, researchers, civil society organisations, government officials and individuals working on these themes in different contexts to deepen our understanding as well as promote dialogue to strengthen our work collectively.

Transparency and Accountability in the social sector: Pedagogy, Theory of change and showcasing key success stories

This 2 day consultation was organised in collaboration with National Centre for Advocacy Studies (NCAS) and National Foundation of India (NFI) to work towards conceptual clarity regarding concepts, definitions and indicators of success used in Transparency and Accountability Initiatives (TAIs).

National Consultation on Inequality in India: Major Dimensions and Policy Challenges

The purpose of the National Consultation was to facilitate a sharper and deeper understanding of some of the major dimensions of inequality in India. The focus was on the economic dimensions of inequality including persistent social discrimination based on caste, class and gender, in terms of access to basic services like education, healthcare, land rights and access to justice.

CBGA FEATURED IN AN EPISODE OF SATYAMEV JAYATE

At the request of the makers of Satyamev Jayate, CBGA attempted to quantify the value of government-owned resources in India. We were invited to share these findings on episode 4, 'Kings Every Day', of the popular TV show, telecast on 23 March, 2014.

<http://www.satyamevjayate.in/kings-every-day.aspx>



Global Policymaking Architecture and Opportunities for Advocacy in Global Platforms

The focus of the roundtable was on dissemination of relevant knowledge and enhancing the capacity of CSOs on issues relating to Inequality and how we could advocate in global policymaking platforms (like, G20, BRICS etc.) for measures to reduce economic inequality. Similar efforts were carried out in Brazil, Russia, Indonesia, China, South Africa and Mexico (i.e. the other BRICSAM countries and Indonesia) in collaboration with civil society organisations / networks in the respective countries. Exchange of knowledge and experience among the civil society groups in all these seven developing countries being an important objective of this project over the next two years.

CONTRIBUTING TOWARDS ADVOCACY EVENTS OF LARGER CIVIL SOCIETY

Gender Budgeting as a tool to empower Dalit and Tribal Women, Panel Discussion on Adivasi/Tribal and Dalit Women's Participation and Role in Economic Empowerment and Development organised by National Campaign on Dalit Human Rights (NCDHR)

Analysis of GB Statement in Union Budget, Workshop on Gender Budgeting in India organised by Budget Analysis Rajasthan Centre (BARC) in Jaipur

Priorities in Budgets for Adaptation to Climate Change: Analysis of Budgets of Select States from a Gender Lens, Round Table organized for Madhya Pradesh State Government officials from different departments organised by Alternative Futures in Bhopal

Priorities in Budgets for Adaptation to Climate Change: Analysis of Budgets of Select States from a Gender Lens, Dissemination workshop to share research findings with civil society organisations, academics and government officials organised by Alternative Futures in Delhi

Budgetary Provisioning and Issues of Child Labour in India: The Way Forward, UGC Sponsored National Seminar of Child Labour Issues and Solutions organized by Chikiti Mahavidyalaya in collaboration with Berhampur University, Odisha

National Food Security Act and Decentralised Governance: Issues and Challenges at Kalam Institute of Management, Berhampur, Odisha.

Food Sovereignty/Security in the Context of Recent Policy Changes: A Note Based on Indian Experience, at African Institute of Agrarian Studies, Harare, Zimbabwe

Public Investment Priorities in Agriculture in India, National Consultation on Farmers Income Security organised by ASHA/CSA

Public Investment Priorities for Rainfed Agriculture: A Study of Alwar and Barmer, National Workshop on Agriculture organised by BARC, Jaipur

Financial Transparency in Asia, International Conference of Civil Society to Prevent Tax Evasion and Promote Financial Transparency organised by People's Solidarity for Participatory Democracy (PSPD) and Eurodad, Seoul.

Fiscal Decentralisation, International Conference organised by Local Self Government Institutions Department, Government of Kerala, Trivandrum

Fiscal Decentralisation, National Conference organised Hyderabad Central University

Financing of Education, Roundtable on Right to Education: Challenges in Implementation organised by RTE Forum, Delhi

Generating awareness on budgets and enhancing the capacity of civil society organisations to use budgets in their work and demystify the discourse on budgets and governance in the country

WORKSHOPS ORGANISED BY CBGA

Workshop on Budget Analysis and Advocacy, Thiruvananthapuram, Kerala (August 31-September 1, 2013)

The workshop was co-organised by Institute for Sustainable Development and Governance, Thiruvananthapuram. It was attended by 40 civil society representatives from grassroots organisations from all 14 districts of Kerala working on a range of issues. The workshop focused on building capacities of the participants on basic concepts on budgets, institutions and actors involved in budgetary processes, budgetary strategies for disadvantaged sections and budget advocacy.

Workshop on Gender Budget Analysis, Madurai, Tamil Nadu (December 17-19, 2013)

Ekta, Madurai and CBGA held a Workshop on Gender Budget Analysis to spread knowledge about the processes and goals of Gender Budgeting and to bring the Gender Budgeting process to Tamil Nadu to ensure that the state budget and planning process is gender sensitive and gender responsive. Ekta hosted 33 participants—both activists and academics—to the 3 day workshop at the Palloti Centre in Madurai.

Post the workshop, EKTA went on to coordinate with the participants to draw up specific action plans to strengthen the process of gender budgeting in Tamil Nadu, including the creation of handbills with information on gender budgeting and auditing for circulation (translated in Tamil).

Workshop on Budget Analysis and Advocacy, TISS, Tuljapur (February 7-9, 2013)

A three day workshop on 'Budget Analysis and Advocacy' was organised by CBGA in collaboration with Tata Institute of Social Sciences (TISS), Tuljapur. The workshop was held to help the first year MA students understand the fundamentals of budget formulation and implementation. The participants had hands-on sessions where they got the opportunity to examine select case studies on budget work by civil society groups and to learn advocacy skills around related issues.

TRAINING SESSIONS FACILITATED BY CBGA

Policy Priorities for Social Sectors and Gender Responsive Budgeting: Mapping the Indian Trajectory for officials of Government of Afghanistan organised by Administrative Staff College of India (ASCI), Hyderabad

Gender Responsive Budgeting in the context of MDGs and Post-2015 Development Agenda for officials of Government of Afghanistan organised by ASCI, Hyderabad

Gender Budgeting for Uttarakhand Government officials organised by Administrative Training Institute (ATI), Nainital

Gender Gaps in Rural Development Policies and Programmes for officers of State Rural Development Departments organised by National Institute of Rural Development and Ministry of Women and Child Development, Govt. of India in Hyderabad

Deepening Gender responsive Budgeting at the Union and the State government levels for officials of North Eastern Region organised by National Institute of Rural Development and Ministry of Women and Child Development, Govt. of India in Guwahati

Gender Responsive Budgeting in Social Sectors for Master Trainers organised by National Institute of Rural Development and Ministry of Women and Child Development, Govt. of India in Jaipur

Budgetary Process in the Country organised by Pension Parishad

Policy Priorities for Scheduled Caste Sub-Plan and Tribal Sub-Plan organised by Vikas Sahyog Kendra (VSK), Ranchi

Budget Priorities for Persons with Disabilities: An Analysis of Union Government Budgets organised by CBM and UNDP

Tools of Tracking Expenditure in India organised by NEN and UN Women at Guwahati, Assam

Resource Mobilisation in South Asia for a workshop on regional curriculum development on tax justice organised by ActionAid, Bangladesh

Mainstreaming Development Programmes for Minorities for District Minority Welfare Officers of Bihar at LBSNAA, Mussorie

Development Programmes for Minorities for NGOs at Central Study Group, New Delhi

Strengthening partnerships and collaborations to enhance research quality and influence policy paradigms

People's Budget Initiative

People's Budget Initiative (PBI) is a civil society network, which promotes the inclusion of people's movements, grassroots organisations and NGOs in the policy processes that determine the priorities underlying government budgets in India. CBGA serves as the Secretariat for PBI.

The central idea of PBI is to democratize budgets by giving people's voice its due space in the budget processes. Over the last several years, the reach of PBI has grown and more than three hundred organisations from twenty different States have joined its efforts. In doing so, it provides a much needed platform at the national level that promotes participation of CSOs and people's movements in the discussions on priorities for the Union Budget every year. One of the core mandates of People's Budget Initiative is to organize a National Convention on the approaching Union Budget every year to build a common understanding among different stakeholders on critical gaps in public provisioning for important sectors and for arriving at a common set of prioritized policy and budgetary demands for different sectors.

A website was launched this year which provides more details about the work of the network and organisations engaged in it (<http://www.pbiindia.net/>).

Financial Transparency Coalition (FTC)

While CBGA continues to work on taxation and domestic resource mobilisation, the opacity that exists in the global financial system severely hinders these efforts. Though the issue of black money is high on the political agenda in the country, the focus remains on bringing the money back rather than curtailing the outflows. FTC's objectives towards increasing transparency in the global financial system aim to curtail these illicit outflows that drain governments of much needed revenue. The policy recommendations of the coalition focus on changing the rules for transparency in company accounting, making the real owners of companies known to law enforcement and public and giving law enforcement access to bank information.

As a member of FTC, CBGA staff was invited to participate as International Co-Chair of the C20 Governance Working Group

FINANCIAL TRANSPARENCY COALITION

The Financial Transparency Coalition brings together nine leading NGOs (Centre for Budget and Governance Accountability, Christian Aid, Eurodad, Global Financial Integrity, Global Witness, Latindadd, Tax Justice Network, Tax Justice Network-Africa, and Transparency International) across five continents, 150 civil society allies, 13 governments, and dozens of the world's foremost experts on illicit financial flows (IFFs).

The FTC was founded in 2009, then under name of the Task Force on Financial Integrity and Economic Development. CBGA joined the coalition in 2012 as the Asia outreach partner and has since been coordinating a network of organisations across Asia (currently Afghanistan, Bangladesh, China, India, Indonesia, Nepal, Philippines and South Korea) interested to work on issues of illicit financial flows out of their countries.

to facilitate civil society discussions and inputs on issues of tax and transparency towards the G20 in 2014. CBGA also facilitated submissions to Government of India prior to the BRICS Summit in 2013 and aims to strengthen engagement on issues of financial transparency in relevant international forums in future.

National Alliance for Maternal Health and Human Rights (NAMHHR)

NAMHHR is an alliance of civil society organisations working towards strengthening maternal health as an issue of women's human rights. CBGA has been included in the Steering Committee to provide inputs on maternal health budgets. In addition to providing technical support, CBGA will also be helping them in some of the advocacy efforts.

Pension Parishad

CBGA's association with Pension Parishad, a campaign initiated by social activists that is working towards universalising old age pension in India, continued this year. Research inputs were given on the social security framework in India along with state-wise comparison of pension payments currently being provided. Resource mobilisation strategies that could be pursued towards provisioning of universal pension to all workers were also shared.

Centre for Equity Studies: India Exclusion Report 2013-14

CBGA collaborated with Centre for Equity Studies towards their efforts to produce the India Exclusion Report, a collaborative annual report. The report seeks to consolidate and generate knowledge around exclusion to inform public opinion and debate on these issues and influence policy makers towards more inclusive governance. CBGA staff contributed to these efforts with a chapter on exclusion in budgetary and planning processes.

COLLABORATION WITH UNIVERSITIES AND ACADEMICS

Mumbai University

CBGA collaborated with Mumbai University towards organising a National Conference on Growth, Distribution and Redistribution. The conference examined issues of growth, distribution, and redistribution in the concrete context of India's persisting underdevelopment by academicians, administrators, activists, and policy makers.

CBGA also participated in a workshop organised for students of the Department of Economics on Public Finance and Development Policy. Sessions facilitated by CBGA staff included 'Changing Contours of Fiscal Policy: Role of Finance Commission and Planning Commission' and 'Health Financing in India: A Case Study of NRHM'.

Cochin University of Science and Technology

CBGA was included as a member of the Advisory Council of K.M. Mani Centre for Budget Studies at Cochin University of Science and Technology. The Centre was established to conduct a critical evaluation of the State Budgets of Kerala and CBGA was invited to join the Advisory Council to provide inputs to this Centre.

Collaboration with Prof. Aaron Schneider, Leo Block Associate Professor, Denver University

Prof. Aaron Schneider was associated with the Centre for the Study of Law and Governance, JNU as visiting faculty this year for research on socio-political factors affecting the taxation policies in India. CBGA staff provided inputs towards these research efforts with evidence we have generated on tax policies and priorities in India. Prof. Schneider also presented some of his earlier research on these issues in the Latin American context for CBGA staff and participated in a panel discussion organised on the Brazilian experience with Public Policies and Social Protection.

In order to ensure that the organization remains efficient, responsive and capable of adapting to change, CBGA continues to pursue initiatives that will strengthen organisational performance.

Training of Finance and Administration Team: Staff of Finance and Administration team participated in a training workshop on facilitating legal compliance by NGOs providing updates on service tax, income tax and FCRA. They also attended a round table discussion on “Foreign Funding of Indian Voluntary Sector” organised by VANI to discuss relevant issues relating to the implementation of laws governing the sector.

Internal Capacity Building: An internal capacity building workshop was organised for programme staff on analysing budgets. Discussions by relevant experts were also held internally to provide inputs and promote dialogue on our issues.

- Professor Aaron Schneider, Leo Block Associate Professor at Denver University presented his work on fiscal sociology and his research in Latin America.
- Alfindra Primaldhi from INFID, Indonesia shared details of their organisation's work and presented insights on inequality in the Indonesian context.
- Fr. Manuel Alphonse, Social Watch Tamil Nadu, presented an overview on the evolution of civil society budget work in India.

Policy Engagement and Communications: Staff from CBGA participated in programmes on improving policy engagement and communications.

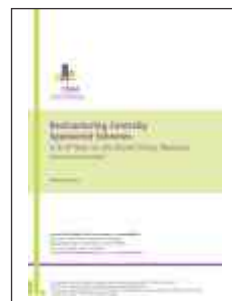
- Training on improving Policy Engagement and Communication efforts was facilitated by IDS, Sussex and Practical Action Consulting. The programme introduced by IDRC emphasized the central role of strategic communications in engaging with diverse stakeholders, particularly for policy change.
- A workshop was organized by the Global Movement for Budget Transparency, Accountability and Participation (BTAP) for member organisations aimed to strengthen capacities of organisations working on issues of transparency and accountability to carry out participatory work in a more strategic manner.

Strategic Planning: A series of discussions on developing a strategic plan for CBGA was held during the year. A draft strategic plan for six years was developed and presented before the Board in February 2014.

Mentoring: Mentoring by our advisors, Dr. Vinod Vyasulu and Dr. Praveen Jha, has helped deepen our research insights and build capacities of the team.

Restructuring Centrally Sponsored Schemes: A Brief Note on the Recent Policy Measures

The note highlights some of the changes that are expected through the process of restructuring of CSS and also points out a major lacuna in the same, which pertains to the limited devolution of untied resources to State Governments vis-à-vis resources for programmes and schemes in various development sectors that are tied to objectives and conditions of Central ministries.



Recognising Gender Biases, Rethinking Budgets; Review of Gender Responsive Budgeting in the Union Government and Select States

The study on Gender Responsive Budgeting in the Union Government and selected States (viz. Kerala, Karnataka, Madhya Pradesh and Bihar), highlights both the gaps and some positive developments. It provides insights on how the strategy of Gender Responsive Budgeting should be re-interpreted by our policymakers so that we realize the required changes in planning and budgeting that are long overdue, which in turn could facilitate mitigation of the gender-based challenges confronting women and girl children in the country.



How Well Does Union Budget 2013-14 Address Gender-based Challenges?

The paper carries an analysis of the Gender Budget Statement presented in Union Budget 2013-14 to determine how robust and comprehensive it is. In the context of an alarming rise in gender based violence, the paper also examines the Union Government's interventions to address gender based violence.



Estimated Value of Government-owned Natural Resources in India

Estimating the value of all natural resources 'owned' by Government is an extremely challenging task as their prices are not properly defined. The per-capita value of Government owned natural resources has been estimated in this Paper at (approximately) Rs. 40 lakh with a total estimated value of Government owned natural resources in the country at (approximately) Rs. 5000 lakh crore. However, in this exercise, we have been able to capture the estimated value of only hydro-carbon reserves and other mineral resources available in the country.



Public Spending Towards Harnessing Renewable Energy in India

Tapping renewable energy sources is being mooted as a means for meeting the shortages in energy access for the country. The current budgetary outlays for the sector are extremely limited and account for less than 0.1% of the Union Budget. For the development of renewable energy, there is an urgent need to enhance public expenditure for the sector. The policy brief is an attempt to assess the policy priorities and corresponding public spending for the renewable energy sector.



Climate Change Adaptation in Four Indian States: The Missing Gender Budgets

The policy brief summarises the key findings of the study showing that not only has 'adaptation' not been a policy priority by these State governments, but also that the recognition of the inherent gender concerns with respect to both climate change as well as in the strategies adopted to 'adapt' to climate change, is missing. The State governments need to build-in the strategies for 'adaptation' and engendering the same, in their overall policy planning. This needs to be backed by requisite budgetary resources and effective implementation of the same.



Policy Briefs on Tax Exemptions, Tax Dodging, Property Taxes Across G20 Countries and Direct Taxes Code (DTC) Bill, 2010

Based on research papers published in 2013, two page policy briefs on the issues were published to make them more accessible and reach a wider audience.



G20: How Responsive to Inequality?

The G-20 rose to prominence during the global financial crisis of 2008-2009, when it played an arguably influential role in coordinating international responses to the crisis. Overtime, G20 has also focused on a broad range of longer-term economic issues of interest to its members. One of the key areas of emphasis remains promotion of shared economic growth and sustainable development. This article tries to examine whether the G20 conforms to its stated development agenda and how responsive it is to addressing issues of inequalities in these countries. The article also explores India's engagement with this forum as a member nation and suggests some possible areas where it can actually play a leading role towards reducing Inequality.



BRICS: Prospects and Challenges

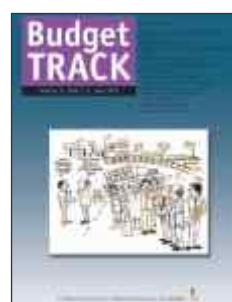
The emergence of BRICS represents an important change in the global economy. It is anticipated that BRICS will play a progressive role on economic and social issues at the regional and global levels. In this backdrop, the article discusses the prospects and challenges of BRICS and India's role in this global forum

**Post 2015 Development Agenda**

The article provides an overview of the issues and challenges of the Millennium Development Goals (MDGs) and examines India's role and achievements. The article explains that the process to prepare a post-2015 development agenda has been started by the UN and the vision underlying these efforts is to develop a comprehensive post-2015 development agenda, merging four key dimensions of inclusive economic and social development, environmental sustainability and peace and security. The article suggests that the new development framework can only be successful, if there are serious joint efforts taken by both the UN and the respective national governments.

**Budget Track Issue on: Scheduled Caste Sub-Plan and Tribal Sub-Plan**

This issue focuses on different aspects of the critical policy strategy, so as to facilitate greater public awareness on this policy and the requisite measures for proper enforcement of the same. The objective was to provide insights on how SCSP and TSP should be re-interpreted by our policymakers so that we realize the required changes in planning and budgeting for the Scheduled Castes and the Scheduled Tribes that are long overdue now.



CBGA's efforts over the last decade have contributed towards bringing a range of new stakeholders into the discourse on government budgets (e.g. Social Activists, NGOs, INGOs) and highlighting a number of relevant issues relating to vulnerable sections (e.g. Gender Responsive Budgeting, Scheduled Caste Sub-Plan, Tribal Sub-Plan, Muslims, Persons with Disabilities and now Urban Poor). CBGA has also played an important role in bringing changes in the methodology and deepening of Gender Responsive Budgeting at the Union Government level over time. We provided inputs towards the introduction of a scheme for the implementation of the Protection of Women from Domestic Violence Act by the Government of India in 2012-13.

Capacity Building and Research support by CBGA strengthened the advocacy and campaign by the Dalit rights organisations to accomplish concrete gains in policy measures for Scheduled Caste Sub-Plan. Our efforts have contributed towards introducing changes in the guidelines of the Multi Sectoral Development Programme which expanded its coverage to include approximately 60 percent of the minority population compared to 30 percent coverage earlier. CBGA's advocacy with the Ministry of Finance played a role in increasing transparency in Union Budget documents, with the inclusion of reporting of Actual Expenditure on Schemes made available since 2011-12. As one of the first civil society organisations that began working on issues related to taxation, CBGA has helped create a stronger public discourse on the need for higher tax-GDP ratio and greater progressivity in India's taxation policies.

The year 2013-14 also witnessed a series of concerted efforts by the organisation for contributing towards the progressive changes it has envisioned in fiscal policy and governance processes in the country. Some of these are briefly mentioned in the following.

- Strengthening the profile of People's Budget Initiative (PBI) as a knowledge-based network through collaborative research work has led to the generation of useful insights on budgetary issues in the country as well as deepening of civil society organisations' understanding of budgets. CBGA, in collaboration with its partners in PBI, has completed an ambitious study titled "What Ails Utilisation of Funds in Development Schemes?", which would add a lot of value to the policy discourse in the country on the magnitude and quality of public expenditure in social sectors.
- Through its conferences and policy briefs on tax issues, CBGA has tried to highlight useful perspectives, methodologies and evidence from other developing countries on the issue of progressivity in taxation policies – an area that is drawing attention in the policy discourse not only in developing countries like India but also in several developed countries.

- Recognising the need for greater transparency in the global financial system and international taxation practices, CBGA has also stepped up its engagement with the Financial Transparency Coalition (FTC) – the international collective of think tanks and civil society organisations that is working towards this objective. CBGA has joined the Coordinating Committee of FTC in January 2014 along with Tax Justice Network-Africa and Latindadd. The three organisations were earlier part of the Regional Programme of the Coalition and have been leading efforts in their regions to advocate on issues related to illicit financial flows and promoting transparency in the global financial system.
- Likewise, focusing on the issue of growing inequality in India and other developing countries as well as the need for influencing global policymaking processes (such as those at the G20 and BRICS) to address it, we have started engaging with civil society organisations in other BRICSAM countries to foster our research and advocacy work on some of the major dimensions of inequality.
- CBGA has also taken steps towards forming collaborations with academic institutions like the Economics Department of Mumbai University and the newly set up K. M. Mani Centre for Budget Studies of Cochin University of Science and Technology. CBGA's Director has been invited as a member of the Advisory Council of K. M. Mani Centre for Budget Studies at Cochin University of Science and Technology.
- One of the critical challenges in the domain of our dissemination efforts over the last few years had been our inability to reach out to the youth in our country. In 2013-14, CBGA entered into an institutional partnership with Employment News, a well-known Union Government published weekly, which has a large readership base in the country (exceeding four lakh per week). CBGA has been contributing two articles every month on issues focusing on economic and public policy matters relevant for the country, under its column, 'State of the Economy'. We have also published a number of articles in another Union Government publication, Yojana, over the last year. Both these publications command the attention of all those educated youth in our country, who are looking for employment in the public sector; hence, being able to reach out to this important segment of the country's population has been one of the most encouraging developments for us recently.
- The 2014-15 budget speech of the Finance Minister of Gujarat has included a reference to the CBGA-led research study on 'Transparency in State Budgets in India', which was published in 2011. CBGA also plans to undertake a second round of this study with further deepening of its research framework and methodology and covering a larger number of states in 2014-15.

- Starting from 2014-15, the contentious practice of central scheme funds bypassing state budgets (for schemes such as the Sarva Shiksha Abhiyan, National Rural Health Mission, and Mahatma Gandhi National Rural Employment Guarantee Scheme, among others) will be discontinued, and the funds will be transferred to state finance departments. This step can be expected to improve transparency and internal accountability in the implementation of central schemes in the states. CBGA has been consistently highlighting the need for this important measure in its research findings and policy recommendations over the last couple of years; hence, it is heartening to note the development in this direction.

In the last few years, a major challenge faced by CBGA has been a significant increase in the expectations of a range of stakeholders for research inputs from the organization. With the growing credibility of CBGA for its quantitative evidence / data on various aspects of governance, in particular fiscal governance, we have witnessed an enormous increase in the requests for providing research inputs from a range of social activists, civil society campaigns, journalists and also academicians.

Another challenge has been balancing the efforts towards engaging with policymakers at the national level with that for engaging with the larger civil society across the country (especially social movements and civil society coalitions). While popularizing our policy recommendations with civil society is extremely important in creating a political will for implementation of the required policy changes, creation of the required level of bureaucratic willingness and initiatives for adoption of relevant changes in policies would be equally important. In working to maintain this balance, planning and sustaining engagement with policymakers in the bureaucracy has been a challenge.

Using technology for making CBGA's communications a lot more effective is a challenge that we intend to address now. We have started creating Data Visualizations on budgets. However, our Data Visualization efforts need to be scaled up significantly in the coming months and sustained in future.

Lack of adequate time with the research staff for sending papers for Journal publications is another challenge that we are trying to address. Given that CBGA has a wide range of its own publications, a significant part of the time of our researchers gets drawn into the processes relating to our own publications that we hope to address in the coming months.

WAY FORWARD

In the coming years, we would work intensely towards deepening our strategies and efforts so as to address the gaps and challenges in various spheres of our work, which we recognise.

We would also step up our research work in a number of critical areas like budget transparency at the grassroots level, taxation policies, issues confronting the urban poor, financing of the Right to Education, and public spending on healthcare, among others, in the coming years.

As an organisation, CBGA will make efforts to strengthen its research capacity and quality, policy engagement and communications, and organisational development parameters. Potentially, such improvements can help CBGA in enhancing its relevance, influence and credibility as a think tank.

Some of our key focus areas would include:

- Deepening research on relevant issues by improving the organisation's primary and secondary evidence base;
- Long term collaborations with reputed think tanks, academics, and civil society organisations in areas of our work;
- Deepening engagement with institutions involved in policy formulation and sustaining linkages with key stakeholder groups to influence public discourse on relevant issues pertaining to budgets and public policies; and
- Strengthening dissemination of research findings and policy advocacy messages.

Members of the Board of Trustees of CBGA as of March 2014

Amitabh Behar (Executive Director, National Foundation for India and Co-Chair of Global Call to Action Against Poverty)	Member, BoT
Anil K. Singh (Secretary General, South Asian Network for Social and Agricultural Development)	Treasurer, BoT
Jagadananda (Member Secretary, Centre for Youth and Social Development)	Member, BoT
Jayati Ghosh (Professor, Centre for Economic Studies and Planning, School of Social Sciences, JNU)	Member, BoT
John Samuel (President, Institute for Sustainable Development and Governance)	Secretary, BoT
Manuel Alphonse (Founder, Social Watch Tamil Nadu)	Member, BoT
Praveen Jha (Professor, Centre for Economic Studies and Planning, School of Social sciences, JNU, New Delhi)	Member, BoT
Ritu Dewan (Professor, Centre for Women's Studies, Dept. of Economics, University of Mumbai)	Member, BoT
Shantha Sinha (Professor, Department of Political science, Hyderabad Central University)	President, BoT
Virginia Shrivastava (Coordinating Director, Budget Analysis Rajasthan Centre, Rajasthan)	Member, BoT
Yogesh Kumar (Director, Samarthan - Centre for Development Support, Bhopal)	Member, BoT

Members of the CBGA Team as of March 2014

Amar Chanchal	Research Consultant
Bhuwan Chand Nailwal	Finance & Admin. Officer
Debraj Bagchi	Research Consultant
Gaurav Singh	Research Consultant
Happy Pant	Senior Programme Officer
Harsh Singh Rawat	Office Assistant
Jawed Alam Khan	Senior Research Officer
Jyotsna Goel	Senior Research Officer
Kanika Kaul	Programme Officer
Khwaja Mobeen Ur Rehman	Programme Officer
Manjur Ali	Research Officer
Nilachala Acharya	Senior Research Officer
Pooja Rangaprasad	Programme Consultant
Priyanka Samy	Programme Consultant
Protiva Kundu	Senior Research Officer
Rajalakshmi Nair	Finance & Admin. Associate
Richa Chintan	Research Consultant
Rohith Jyothish	Research Consultant
Saumya Shrivastava	Research Associate
Sridhar Kundu	Senior Research Officer
Sona Mitra	Senior Research Officer
Subrat Das	Executive Director
Sumita Gupta	Finance & Admin. Associate
T. K. Shaji	Finance & Admin. Officer

In the financial year 2013-14, CBGA relied upon the support of the following institutions.

For core / institutional fund support, we are grateful to:

- Ford Foundation, and
- International Development Research Centre (IDRC) - Think Tank Initiative.

For fund support tied to research and advocacy efforts in specific areas, we are grateful to:

- Bernard van Leer Foundation,
- Centre for International Policy,
- Christian Aid,
- ClimateWorks Foundation (Shakti Foundation),
- Climate and Development Knowledge Network (through Alternative Futures),
- European Debt and Development Network,
- National Foundation of India, and
- Oxfam India.

Salary Slab-wise Gender Composition of Staff (as of March 2014)

Slab of gross monthly salary plus benefits paid to staff (in Rs.)	Male Staff	Female Staff	Total Staff
25,000 - 44,000	4	4	8
44,001 - 63,000	6	5	11
63,001 - 82,000	2	2	4
82,001 - 100,000	1	0	1
Grand Total	13	11	24

Gross monthly salary of the lowest paid employee = Rs. 30,000

Gross monthly salary of the highest paid employee = Rs. 99,459
(as of March 2014)

Payments made to the Members of the Board of Trustees of CBGA during the F.Y. 2013-14

S No.	Name	Nature of Expense	Amount (In Rs.)
1.	Prof. Praveen Jha	Consultancy payment for his role as Economic Adviser	2,74,428

With regard to the management of funds by Centre for Budget and Governance Accountability (CBGA) in the financial year 2013-14, I would like to bring to your attention the following points.

- CBGA received a total income of Rs. 3,74,66,369/- in 2013-14, with an increase of 7.76% over the total income of Rs. 3,47,69,265/- in the previous financial year.
- CBGA's total expenditure during the year 2013-14 was Rs. 3,70,33,793/-, with an increase of 7.51% over the total expenditure of 3,44,47,147/- in the previous financial year.
- During the financial year 2013-14, Rs. 2,38,133/- was received as Interest, as compared to Rs. 3,39,454/- received during the financial year 2012-13.
- CBGA has a Reserve Fund of Rs. 27,42,597/- as on 31st March 2014.
- The net value of Fixed Assets of CBGA depreciated from Rs. 16,60,180/- as on 31st March 2013 to Rs. 16,44,778/- as on 31st March 2014. A periodic physical verification of all fixed assets is being undertaken by the Finance and Administration unit of CBGA. Total addition in fixed assets during the F.Y. was of Rs. 4,57,373 /-.
- The financial accounts were prepared according to the standard accounting practices and statutory requirements prevailing in India and as applicable for NGOs.
- All statutory requirements, like, filing of returns to FCRA division of the Union Ministry of Home Affairs, tax returns to the Income Tax Department, and Employees Provident Fund returns to EPFO, were fulfilled during 2013-14.
- In the year 2013-14, CBGA relied upon the financial support of a number of institutions for working towards its goals and objectives. During 2013-14, CBGA received core / institutional fund support from: Ford Foundation and International Development Research Centre (IDRC)- Think Tank Initiative. During this year, it received fund support tied to research and advocacy efforts in specific areas from: Bernard van Leer Foundation, Centre for International Policy (funding from the Govt. of Norway), Christian Aid, ClimateWorks Foundation (Shakti Foundation), Climate and Development Knowledge Network (through Alternative Futures), European Debt and Development Network (funding from the Govt. of Norway), National Foundation of India, and Oxfam India.

I wish to thank all donors and funding partners who have contributed financially towards achieving the goals and objectives of CBGA.

I also wish to thank the Executive Director and the Staff of the Finance and Administration Unit of CBGA for assisting me in discharging my responsibility as the Treasurer.

Anil K. Singh
Treasurer
Board of Trustees
Centre for Budget and Governance Accountability

FORM NO. 10B
[See rule 17B]

Audit report under section 12A(b) of the Income-tax Act, 1961, in the case of charitable or religious trusts or institutions

We have examined the balance sheet of **CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY, AAATC793** (Name and PAN of the trust or institution) as at **31/03/2014** and the Profit and loss account for the year ended on that date which are in agreement with the books of account maintained by the said trust or institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by the lead office and the branches of the abovesaid trust visited by us so far as appears from our examination of the books, and proper Returns adequate for the purposes of audit have been received from branches not visited by us, subject to the comments given below:

In our opinion and to the best of our information, and according to information 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 above named trust as at **31/03/2014** and
- (ii) in the case of the profit and loss account, of the profit or loss of its accounting year ending on **31/03/2014**

The prescribed particulars are annexed hereto.

Place **NEW DELHI**
Date **05/08/2014**

Name **CA SUBHAJIT SAHOO, FCA**
Membership Number **057426**
FRN (Firm Registration Number) **322952E**
Address **S.SAHOO & CO., CHARTERED ACCOUNTANTS 107, LAXMA N SING COMPLEX-1, MUNIRKA, NEW DELHI-110067**

ANNEXURE
Statement of particulars

I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSES

1.	Amount of income of the previous year applied to charitable or religious purposes in India during that year (₹)	37026336
2.	Whether the trust has exercised the option under clause (2) of the Explanation to section 11(1)? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year (₹)	No
3.	Amount of income accumulated or set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the income derived from property held under trust wholly for such purposes. (₹)	5619955
4.	Amount of income eligible for exemption under section 11(1)(c) (Give details)	No
5.	Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2) (₹)	0
6.	Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in section 11(2)(b)? If so, the details thereof.	Not Applicable
7.	Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B)? If so, the details thereof (₹)	Not Applicable
8.	Whether, during the previous year, any part of income accumulated or set apart for specified purposes under section 11(2) in any earlier year-	
(a)	has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or	No
(b)	has ceased to remain invested in any security referred to in section 11(2)(b)(i) or deposited in any account referred to in section 11(2)(b)(ii) or section 11(2)(b)(iii), or	No

(c)	has not been utilised for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, the details thereof	No
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II. APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OF PERSONS REFERRED TO IN SECTION 13(3)

1.	Whether any part of the income or property of the trust was lent, or continues to be lent, in the previous year to any person referred to in section 13(3) (hereinafter referred to in this Annexure as such person)? If so, give details of the amount, rate of interest charged and the nature of security, if any.	No
2.	Whether any part of the income or property of the trust was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any.	No
3.	Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details	No
4.	Whether the services of the trust were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any	No
5.	Whether any share, security or other property was purchased by or on behalf of the trust during the previous year from any such person? If so, give details thereof together with the consideration paid	No
6.	Whether any share, security or other property was sold by or on behalf of the trust during the previous year to any such person? If so, give details thereof together with the consideration received	No
7.	Whether any income or property of the trust was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted	No
8.	Whether the income or property of the trust was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details	No

III. INVESTMENTS HELD AT ANY TIME DURING THE PREVIOUS YEAR(S) IN CONCERNS IN WHICH PERSONS REFERRED TO IN SECTION 13(3) HAVE A SUBSTANTIAL INTEREST

S. No.	Name and address of the concern	Where the concern is a company, number and class of shares held.	Nominal value of the investment (₹)	Income from the investment (₹)	Whether the amount in col. 4 exceeded 5 per cent of the capital of the concern during the previous year-say, Yes/No
Total					

Place **NEW DELHI**
Date **05/08/2014**

Name **CA SUBHAJIT SAHOO, FCA**
Membership Number **057426**
FRN (Firm Registration Number) **322952E**
Address **S.SAHOO & CO., CHARTERED ACCOUNTANTS 107, LAXMA N SING COMPLEX-1, MUNIRKA, NEW DELHI-110067**

Form Filing Details	
Revision/Original	Original

CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY
B-7 EXTN./110A (GROUND FLOOR), HARSUKH MARG, SAFDARJUNG ENCLAVE
NEW DELHI - 110029 (INDIA)

CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY
B-7 EXTN./110A (GROUND FLOOR), HARSUKH MARG, SAFDARJUNG ENCLAVE
NEW DELHI - 110029 (INDIA)

BALANCE SHEET AS AT 31 st MARCH 2014			
	SCHEDULE	F.Y. 2013-14	F.Y. 2012-13
SOURCES OF FUND			
I. FUND BALANCES:			
a. General Fund	[01]	2,717,597	2,285,021
b. Asset Fund	[02]	1,586,231	1,594,176
c. Corpus Fund		25,000	25,000
II. LOAN FUNDS:			
a. Secured Loans		-	-
b. Unsecured Loans		-	-
TOTAL	[I + II]	4,328,827	3,904,197
APPLICATION OF FUND			
I. FIXED ASSETS			
Gross Block	[03]	3,994,467	3,537,094
Less: Accumulated Depreciation		2,349,689	1,876,914
Net Block		1,644,778	1,660,180
II. INVESTMENT			
		-	-
III. CURRENT ASSETS, LOANS & ADVANCES:			
a. Loans & Advances	[04]	2,094,559	1,737,041
b. Grant Receivable	[05]	4,944,086	6,172,335
c. Cash & Bank Balance	[06]	10,382,442	3,927,969
	A	17,421,087	11,837,345
Less: CURRENT LIABILITIES & PROVISIONS:			
a. Current Liabilities	[07]	2,692,456	2,819,588
b. Unspent Grant Balance	[08]	12,044,581	6,773,740
	B	14,737,038	9,593,328
NET CURRENT ASSETS	[A - B]	2,684,050	2,244,017
TOTAL	[I+II+III]	4,328,827	3,904,197

Significant Accounting Policies and Notes to Accounts [40]

The schedules referred to above form an integral part of the Balance Sheet.
IN TERMS OF OUR REPORT OF EVEN DATE FORM FC-6 ATTACHED

For & on behalf:
S.SAHOO & CO.
Chartered Accountants



[CA Subhjit Sahoo, FCA, LLb]
Partner
MM No. 57426
Firm No. 322952E

Place: New Delhi
Date: August 05, 2014

For:
CENTRE FOR BUDGET AND GOVERNANCE
ACCOUNTABILITY

Shanatha Sinha
President
Anil K. Singh
Treasurer

Subrat Das
Executive Director
Shaji T.K
Addl. Coordinator- Fin. & Admn.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014			
	SCHEDULE	F.Y. 2013-14	F.Y. 2012-13
I. INCOME			
Grant In Aid	[09]	37,026,336	34,428,611
Bank Interest	[10]	238,133	339,454
Other Income	[11]	201,900	1,200
TOTAL		37,466,369	34,769,265
II. EXPENDITURE			
Project Related Expenses			
Foreign Fund			
Budget and Policy Analysis Work and Raising Awareness on Budgets	[12]	5,024,055	8,222,497
Enhancing Public Understanding of Taxes	[13]	4,135,699	4,523,099
Assessment of Budgetary Priorities for Low Carbon Economy in India	[14]	920,520	630,749
Advocacy and Outreach Efforts as Part of Financial Transparency Coalition	[15]	1,915,177	1,128,917
Support for Enhancing Research Capacity and Organisational Performance	[16]	15,079,695	9,018,768
Project on National Report on Exclusion	[17]	511,162	-
Advocacy and Outreach Efforts as Part of Financial Transparency Coalition	[18]	490,330	-
Policy Analysis for Improving Conditions of Young Children in Urban Slums	[19]	3,311,953	-
Empowering CSO Networks in an Unequal Multi Polar World	[20]	3,038,769	-
Assessing Budgets for Adaption to Climate Change from a Gender Lens	[21]	429,432	551,476
Promoting People's Participation in the Budget Processes in India	[22]	2,168,833	-
Research Work on Budget Transparency		-	578
Research Conference on Budget Transparency		711	1,102,563
Partnership Initiative (Budget and Policy Analysis Work)		-	6,150,109
People's Budget Initiative (Research & Training for Awareness on Budgets)		-	1,500,000
Research Study on Budgetary Spending for Water and Sanitation		-	1,599,855
Indian Fund			
Administrative Expenses		-	10,000
Depreciation	[03]	472,775	633,936
Less: Depreciation Transferred to Asset Fund		465,318	625,400
TOTAL		37,033,793	34,447,147
III. EXCESS OF INCOME OVER EXPENDITURE	[I - II]	432,576	322,118

Significant Accounting Policies and Notes to Accounts [40]

The schedules referred to above form an integral part of the Income & Expenditure A/c.

IN TERMS OF OUR REPORT OF EVEN DATE FORM FC-6 ATTACHED

For & on behalf:
S.SAHOO & CO.
Chartered Accountants

[CA Subhjit Sahoo, FCA, LLb]
Partner
MM No. 57426
Firm No. 322952E

Place: New Delhi
Date: August 05, 2014

For:
CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY

Shanatha Sinha
President
Anil K Singh
Treasurer

Subrat Das
Executive Director
Shaji T. K.
Addl. Coordinator- Fin. & Admn.

FINANCIAL SUMMARY FOR 2013-14

CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY
B-7 EXTN./110A (GROUND FLOOR), HARSUKH MARG, SAFDARJUNG ENCLAVE
NEW DELHI - 110029 (INDIA)

RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014			
	SCHEDULE	F.Y. 2013-14	F.Y. 2012-13
RECEIPTS			
Opening Balance :			
Cash in Hand		20,613	27,596
Cash (Foreign Currency)		54,097	107,358
Cash at Bank		3,853,259	3,164,487
Fixed Deposits		-	3,500,000
Grant in Aid	[23]	43,628,791	30,615,638
Bank Interest	[24]	273,972	1,072,014
Other Income	[25]	181,900	1,200
Loan & Advance Received	[26]	870,166	365,586
TOTAL Rs.		48,882,797	38,853,880
PAYMENT			
Project Related Expenses			
Foreign Fund			
Budget and Policy Analysis Work and Raising Awareness on Budgets	[27]	4,637,284	7,620,851
Enhancing Public Understanding of Taxes	[28]	4,103,845	4,398,852
Assessment of Budgetary Priorities for Low Carbon Economy in India	[29]	919,820	623,230
Advocacy and Outreach Efforts as Part of Financial Transparency Coalition	[30]	1,915,177	1,071,678
Support for Enhancing Research Capacity and Organisational Performance	[31]	14,144,594	8,669,148
Project on National Report on Exclusion	[32]	511,162	-
Advocacy and Outreach Efforts as Part of Financial Transparency Coalition	[33]	461,841	-
Policy Analysis for Improving Conditions of Young Children in Urban Slums	[34]	3,269,572	-
Empowering CSO Networks in an Unequal Multi Polar World	[35]	2,660,355	-
Assessing Budgets for Adaption to Climate Change from a Gender Lens	[36]	429,432	546,014
Promoting People's Participation in the Budget Processes in India	[37]	2,164,219	-
Research Work on Budget Transparency		-	578
Research Conference on Budget Transparency		711	1,102,284
Partnership Initiative (Budget and Policy Analysis Work)		-	6,116,207
People's Budget Initiative (Research & Training for Awareness on Budgets)		-	1,499,872
Research Study on Budgetary Spending for Water and Sanitation		-	1,549,716
Indian Fund			
Administrative Expenses		-	10,000
Current Liabilities Paid	[38]	2,090,319	691,580
Loan and Advances Paid	[39]	1,052,021	1,025,102
Grant refund		139,204	-
Closing Balance			
Cash in Hand(in INR)		44,775	20,613
Cash in Hand (in FC)		125,613	54,097
Cash at Bank		10,212,053	3,853,259
TOTAL Rs.		48,882,797	38,853,880
Significant Accounting Policies and Notes to Accounts	[40]	-	-

The schedules referred to above form an integral part of the Receipts & Payment A/c.
IN TERMS OF OUR REPORT OF EVEN DATE FORM FC-6 ATTACHED

For & on behalf:
S.SAHOO & CO.
Chartered Accountants

[CA Subrat Das, FCA, LLB]
Partner
MM No. 2426
Firm No. 322952E

Place: New Delhi
Date: August 05, 2014

For:
CENTRE FOR BUDGET AND GOVERNANCE ACCOUNTABILITY


Shantha Sinha
President


Subrat Das
Executive Director


Anil K Singh
Treasurer


Shaji T. K.
Addl. Coordinator- Fin. & Admn.