

NIPFP Newsletter

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Working Paper

1. Pratik Datta, Radhika Pandey, Ila Patnaik and Ajay Shah, **Understanding Deviations from the Fiscal Responsibility Law in India**, NIPFP Working Paper No. 399

Abstract: The Parliament enacted the Fiscal Responsibility and Budget Management Act (FRBM Act) in 2003. In most of the following years, union public finance has deviated from the strictures of the law. Was it poor drafting of the statutory escape clause in the FRBM Act, 2003 that led to these deviations? We show that this is not the correct diagnosis. The escape clause that flows from the Constitution of India - the special procedure for money bills - gives the union government the ability to get around shackles placed under Parliamentary legislation. If fiscal rules are sought to be implemented through laws, the legal strategy needs to take this constitutional framework into account

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2. Lekha Chakraborty, Amandeep Kaur, Jitesh Yadav and Balamuraly B, **OECD Policy Evaluation of Child Protection Schemes: Evidence from Odisha, India**, NIPFP Working Paper No. 398.

Objective: Using OECD evaluation criteria, we analysed the child protection schemes of Odisha to understand whether legal commitments on child protection are translated into fiscal commitments. The intergovernmental fiscal transfers and state specific targeted programmes for the children in need of care and protection (CNCP) and children in conflict of law (CCL) are evaluated

using the OECD criteria of relevance, coherence, effectiveness, efficiency and sustainability. Using the theory of change, various fiscal interventions for child protection are analysed with activities, outputs, intended outcomes and impacts. The analysis revealed that in the post pandemic fiscal strategy of Odisha, various programmes have been designed by the government to tackle the capability deprivation, hardships and vulnerabilities faced by the children within the budgetary frameworks and these programmes are made fiscally sustainable through public expenditure convergence within the classification of budgetary transactions. However, the low utilisation ratios of the funds and the institutional constraints are identified as the challenges in the effective implementation of child protection programmes in Odisha

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3. Amey Sapre and Vaishali Bhardwarj **Status and Compilation Issues in National Accounts Statistics: A Short Summary**, NIPFP Working Paper No. 397

Objective: This paper is a summary of the status and compilation issues in the National Accounts. In addition to a brief summary of the sources and methods of estimation, the paper covers the set of issues that have emerged with the 2011-12 series of national accounts after it was introduced in 2015. Some of the key measurement issues are in

the manufacturing sector, particularly after the introduction of the MCA21 database. A summary of issues with the expenditure side estimates and regional accounts are also presented. While the focus is largely on the estimates of aggregate value added, a comprehensive analysis is also needed for other macro-aggregates, such as consumption expenditure, savings, capital formation, input-output transaction tables and transactions of the public sector. Given the present compilation of national accounts,

major macro-indicators such as savings, expenditure side estimates, etc. are yet to be compiled at the state level. On the sources and method front, issues with the household sector and status of the data sources are highlighted. Lastly, new challenges for GDP estimation, Code of Practice, among others are some of the areas that need systematic research initiatives for overall improvement of official statistics

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Seminar

- ▶ **How is India Doing? *Mid-Year Macroeconomic Review***, August 11, 2023, Conference Hall, R&T Building, NIPFP

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