

# **Punjab Fiscal Responsibility and Budget Management Rules, 2018**

PUNJAB

India

## **Punjab Fiscal Responsibility and Budget Management Rules, 2018**

### **Rule**

### **PUNJAB-FISCAL-RESPONSIBILITY-AND-BUDGET-MANAGEMENT-RULES OF 2018**

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Punjab Fiscal Responsibility and Budget Management Rules, 2018Published vide Notification No. G.S.R.73/P.A.11/2003/S.7/2018G.S.R. No. 73/P.A.11/2003/S.7/2018. - In exercise of the powers conferred by sub-section (2) of section 7 of the Punjab Fiscal Responsibility and Budget Management Act, 2003 (Punjab Act No. 11 of 2003), and all other powers enabling him in this behalf, the Governor of Punjab is pleased to make the following rules, to carry out the purposes of the said Act, namely:-

#### **1. Short title and commencement.**

(1)These rules may be called the Punjab Fiscal Responsibility and Budget Management Rules, 2018.(2)They shall come into force on and with effect from the date of their publication in the Official Gazette.

#### **2. Definitions.**

(1)In these rules, unless the context otherwise requires,-(a)"Act" means the Punjab Fiscal Responsibility and Budget Management Act, 2003;(b)"Form" means a Form appended to these rules; and(c)"section" means a section of the Act.(2)The Words and expressions used in these rules, but not defined, shall have the same meaning as assigned to them in the Act.

### **3. Medium term Fiscal Policy Statement. [Section 3(5) of the Act]**

- The Medium term Fiscal Policy Statement to be laid by the State Government shall be in Form I.

### **4. Fiscal indicators. [Section 3(2) and 5(2)(a) of the Act]**

- The State Government shall cause to lay a statement of fiscal indicators as per Form II.

### **5. Medium Term Expenditure Framework.**

- The State Government may issue appropriate directions, as it deems fit, to any or all of its departments for the preparation of Medium Term Expenditure Framework providing for expected expenditure growth over 3-5 years. The framework shall include the measures contemplated by the department to rationalise its expenditure and reduce its expenditure.(2)The concerned department shall, after the approval of its Medium Term Expenditure Framework by the State Government, ensure its implementation in the time period defined in the framework.(3)The concerned department shall, in case of its failure to implement the Medium Term Expenditure Framework in the defined timeline, cause to lay a report before the State Legislature, containing reasons thereof for its failure and plan to achieve the said remaining targets and the time period to achieve it within one year of the completion of time period of the said Medium Term Expenditure Framework. The report shall specifically contain the comments of the State Government and action taken/proposed to be taken by the department, if any, on such comments.(4)The State Government may, if it deems fit, advise any or all of its departments to prioritise gender, weaker sections based budgeting in its Medium Term Expenditure Framework.

### **6. Disclosures of statements. [Section 5(2) of the Act]**

- The State Government shall cause to disclose the following statements at the time of the presentation of its annual budget before the Punjab Legislative Assembly, namely.-a) a statement showing the summary of the Financial Position of the State in Form III ;b) a statement showing the Analysis of State Tax Revenue in Form IV;c) a statement showing the Analysis of Non Tax Revenue in Form V;d) a statement showing the Analysis of Development Expenditure on Revenue Account in Form VI;e) a statement showing the Analysis of Non-Development Expenditure on Revenue Account in Form VII;f) a statement showing the Analysis of Receipts and Disbursements on Capital Account in Form VIII;g) a statement showing the Transfer of Resources from Centre to the State in Form IX;h) a statement showing the Central Assistance for Punjab in Form X;i) a statement showing the Analysis of Debt Position in Form XI;j) a statement showing the Number of employees in the Government/Public Sector Undertakings/Government aided institutions in Form XII;k) a statement showing the analysis of Expenditure on Salaries, Wages, Pension & Retirement Benefits and Interest in Form XIII; andl) a statement showing the Position of Outstanding Government Guarantee in Form XIV.

## **7. Review. [Section 6(1) of the Act]**

- The State Government shall cause to lay the outcome of the review of the trends in receipt and expenditure in relation to the budget after every quarter before the Punjab Legislative Assembly in Form XV.

## **8. Periodic review by an independent external agency. [Section 6(7) of the Act]**

- The State Government shall take up with Comptroller and Auditor General of India on annual basis, for periodic review of compliance of the provisions of the Act by the State Government.

## **9. Powers to relax. [Section 7 of the Act]**

- Where the State Government is of the opinion that it is necessary or expedient so to do, it may by order, for reasons to be recorded in writing, relax any of the provisions of these rules with respect to any item or category of persons.

## **10. Interpretation. [Section 7 of the Act]**

- If any question arises as to the interpretation of these rules, the State Government shall decide the same. Form I (see rule 3) Medium Term Fiscal Policy Statement of the State as per Section 3 of The Punjab Fiscal Responsibility and Budget Management Act, 2003

## **1. Revenue Deficit**

The Revenue Deficit of the State for the year (BE) is as under:-

Year Revenue Deficit (Rs. In Crore)    Percentage to GSDP

## **2. Fiscal Deficit**

The Fiscal Deficit of the State for the year to is as under:-

Year Revenue Deficit (Rs. In Crore)    Percentage to GSDP

### 3. Outstanding Debt

The Outstanding Debt of the State for the year to (BE) is as under:-

Year Revenue Deficit (Rs. In Crore) Percentage to GSDP

### 4. Performance evaluation

Year (AE) Year (BE) Year (RE)

Fiscal Indicators

RD

FD

### 5. Fiscal consolidation strategy:

a) Recommendations of Fourteen Finance Commission. b) Proposed legislations/policies relating to revenue generation and expenditure.

### 6. Any Other priorities/concerns

Form II (see rule 4)

Fiscal Indicators									
Item		FY	FY	FY(RE)	FY(BE)	FY(Estimates)	FY(Estimates)	Remarks	Remarks
1	2	3	4	5	6	7	8	9	
1	Revenue Receipts								
1.1	Share of Central Taxes								
1.2	Grants from Centre								
1.3	State's own Tax Revenue								
1.4	State's Non-Tax Revenue								
1.5	ARM-2019-20 Measures								
2	Revenue Expenditure								

- 2.1 Salaries & Wages  
including Grant in Aid  
(Salary)
- 2.2 Pension & other  
retirement benefits
- 2.3 Interest Payment
- 2.4 Power Subsidy
- 2.5 Devolution to  
Rural/Urban Local  
Bodies
- 2.6 Others
- 3 Revenue Deficit (2-1)
- 4 Capital Expenditure
- 5 Loan & Advances (net)
- 6 Fiscal Deficit (3+4+5)
- 7 Outstanding Debt
- 8 GSDP
- 9 RD as %GSDP
- 10 FD as %GSDP
- 11 Outstanding Debt as  
%GSDP

Form III(see rule 6)Summary of the Financial Position of the State(Rs. in Crores)

Sr. No.	Item	FY(Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
I	Opening Balance							
II	Consolidated Fund							
	1 Revenue Account- Receipts							
	Additional Resources							
	Mobilization							
	Expenditure							
	Surplus (-)							

Deficit (+)  
Revenue  
Deficit as%age  
of GSDP  
2 Capital  
Receipt ..  
3 Capital  
Expenditure ..  
4. Public Debt-  
Debt incurred  
Payments  
Net  
5. Loans and  
Advances -  
Advances..  
Recoveries..  
Net ..  
6 Inter -State  
Settlement  
Account (Net)  
..  
7  
Appropriation  
to  
Contingency  
Fund  
Total II -  
Consolidated  
Fund  
Net  
8 Fiscal Deficit  
Fiscal Deficit  
as%age of  
GSDP  
Punjab  
III Contingency  
Fund  
IV Public  
Account

- 1 Unfunded  
Debt (Net ) ..
- 2 Reserve  
Funds (Net)
- 3 Deposits and  
Advances  
(Net)
- 4 Remittances  
(Net) ..
- 5 Others  
(Suspense & ..  
Misc. & (Net)
- Total IV -  
Public  
Account
- V Net  
Transactions  
(II+III+IV)
- VI Closing  
Balance

Form IV(see rule 6)Analysis of State Tax Revenue(Rs in Lakh)

Sr. No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
	40							
1	0029-Land Revenue							
2	0030-Stamp and Registration							
3	0039-State Excise							
4	0040-Taxes on Sales, Trade etc.							
5	0041-Taxes on Vehicles							
6	0043-Taxes and Duties on Electricity							

- 0045-Other  
Taxes and  
7 Duties on  
Commodities  
and Services  
0006-State  
8 Goods and  
Services Tax  
(SGST)  
0042-Taxes  
9 on Goods and  
Passengers  
Total State  
10 Taxes and  
Duties (1 to 7)  
Additional  
11 Resources  
Mobilization

Note: - Figures in brackets represent Percentage increase or decrease over Previous year Form V (see rule 6) Analysis Of State Non - Tax Revenue (Rs. in Lakh)

Sr. No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
1	Interest Receipts							
2	Dividends							
3	Other Fiscal Services							
4	General Services							
	(i) Police							
	(ii) Jails							
	(iii) Stationery and Printing							
	(iv) Public Works							
	(v) Other Administrative Services							



- (vi)  
Contribution  
and Recoveries  
towards  
Pension and  
other  
retirement  
benefits
- (vii)  
Miscellaneous  
General  
Services (  
Mainly Lotteries  
Gross)
- (viii) Others
- 5 Social Services
  - (i) Education ,  
Sports, Art &  
Culture
  - (ii) Medical  
and Public  
Health
  - (iii) Water  
Supply and  
Sanitation
  - (v) Others
- 6 Economic  
Services
  - (i) Crop  
Husbandry
  - (ii) Animal  
Husbandry
  - (iii) Forestry  
and Wild Life
  - (iv)  
Co-operation
  - (v) Major and  
Medium  
Irrigation
  - (vi) Road  
Transport

(vii) Others

Total Non-Tax  
Revenue

(1 to 6 )

Form VI(see rule 6)Analysis of Development Expenditure on Revenue Account(Rs. in Lakh)

Sr. No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
A	Social Services							
	.							
	Education, Sports, Art and Culture							
	Medical,Public Health,Family Welfare							
	Water Supply and Sanitation							
	Housing and Urban Development ..							
	Labour and Employment ..							
	Social Security and Welfare							
	and Welfare of Scheduled							
	Castes and Other							
	Backward Classes							
	Relief on account of Natural Calamities ..							
	Others ..							

B. Economic  
Services ..

Agriculture  
and Allied  
Activities

(i) Crop  
Husbandry ..

(ii) Soil and  
Water  
Conservation ..

(iii) Animal  
Husbandry ..

(iv) Forests ..

(v) Agriculture  
Research and  
Education..

(vi)  
Co-operation..

(vii) Others..

3 Irrigation  
and Flood  
Control  
and Power..

(i) Major and  
Medium  
Irrigation ..

(ii) Minor  
Irrigation ..

(iii) Flood  
Control ..

(iv) Power

(v)Other ..

4 Industry and  
Minerals

(i) Village and  
Small

Industries ..

(ii) Others ..

5 Transport ..

(i) Road and  
Bridges ..

(ii) Road  
Transport ..

(iii) Civil  
Aviation ..

6 General  
Economic  
Services

(i) Sectt,  
Economic  
Services ..

(ii) Census  
Survey and  
Statistics ..

(iii) Civil  
Supplies ..

(iv) Others ..

7 Others ..

Total  
Development

Expenditure  
(A+B )

Form VII(see rule 6)Analysis Of Non -Development Expenditure On Revenue Account(Rs in Lakhs)

Serial No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
	Non-Development Expenditure (1 to 7 )							
1	Organs of State..							
2	Fiscal Services (i&ii)..							
	(ii) Other Fiscal Services..							
3	Interest payments and servicing of debt (i) and (ii)..							

- (i) Appropriation  
for reduction or  
avoidance of debt..
- (ii) Interest  
payments..
- 4 Administrative  
Services..
- (I to vi)
- (i) Secretariat  
General  
Services
- (ii) District  
Administration..
- (iii) Treasury and  
Accounts  
Administration..
- (iv) Police..
- (v) Public Works..
- (vi) Others..
- 5 (i) Pension and  
other  
retirement  
benefits..
- 6 Miscellaneous  
General  
Services ( i and  
ii)..
- (i) Lotteries
- (ii) Others
- 7 Compensation  
and  
assignment to  
Local Bodies..

Form VIII (see rule 6) Analysis of Receipts and Disbursements on Capital Account (Rs. in Lakhs)

Sr. No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
A	CAPITAL RECEIPTS							

- 1 Internal Debt
  - (a) Market loans (Gross)
  - (b) Loans from S.B.I. and other Banks
  - (c) Loans from NABARD and others
  - (d) Ways and Means Advances from R.B.I...
  - (e) Loans from Small Savings
- Total (1) i'V
- 2 Loans from the Centre
- 3 Recoveries of Loans and Advances
- 4 Inter-State Settlement Account (Net)
- 5 Contingency Fund (Net)
- 6 State Provident Fund (Net)
- Group
- 7 Insurance Fund (Net)
- 8 Reserve Fund (Net)
- 9 Deposits and Advances (Net)...
- 10 Suspense and Miscellaneous..
- 11 Remittances (Net)..

- 12 Appropriation  
to Contingency  
Fund (Net)  
Total (A)
- B Capital  
Disbursement
- 1 Total Capital  
Outlay  
(i) Non-Plan  
Outlay  
(ii) Plan Outlay  
( State Plan &  
Centrally  
Sponsered)  
Outlay..  
Total (1)
- 2 Discharge of  
Internal Debt--  
(a) Market  
Loans..  
(b) Loans from  
S.B.I. and  
other Banks..  
(c) Loans from  
L.I.C,  
Hudco.&  
Others  
Institutions.  
(d) Small  
Saving Loans  
(e) Ways and  
Means  
Advances from  
R.B.I...  
Total (2)
- 3 Repayment of  
Loans to  
Centre..
- 4 Loans and  
Advances..

## Form No. IX(see rule 6)Transfer of Resources From Centre To The State(Rs. in Lakhs)

Sr. No.	Item	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY (Accounts)	FY Budget Estimates	FY Revised Estimates	FY Budget Estimates
1	2	3	4	5	6	7	8	9
I	Share of Central Taxes and Duties							
	(i) Corporation Tax..							
	(ii) Taxes on Income..							
	(iii) Other Taxes on Income & Expenditure..							
	(iv) Customs..							
	(v) Union Excise Duty..							
	(vi) Service Tax..							
	(vii) Wealth Tax..							
	(viii) Other taxes & duties on commodities & Services							
	(ix) Central GST							
	(x) Integrated GST							
	Total							
II.	Grants--							
	(i) Non-Plan Grants..							



- (ii) Grants for  
State Plan  
Schemes..
- (iii) Grants  
for Central  
Plan  
Schemes..
- (iv) Grants  
for Centrally  
Sponsored  
Schemes..
- Total II
- III Net Transfer  
on Loan  
Account from  
Centre to  
Punjab  
a-(b+c)..
- (a) Gross  
Loans from  
the  
Centre..
- (i) Non-Plan  
Loans..
- (ii) Loans for  
State Plan  
Schemes..
- (iii) Loans for  
Central Plan  
Schemes..
- (iv) Centrally  
Sponsored  
Schemes..
- (v) Ways and  
Means  
Advances..
- (vi) Others
- Total (a)
- (b)  
Repayment

- of loans to  
Centre..  
(c) Interest  
Payment..  
Total  
IV Devolution of  
Resources  
from Centre  
(I+II+III)..  
Devolution of  
V Resources  
from  
Centre  
excluding  
share of  
Central Taxes  
(IV-I)..

Form X(see rule 6)Central Assistance for Punjab(Rs. in Crores)

Year Grants for State Plan Loans for State Plan Total (Col. 2 + Col.3)

1 2 3 4

Form XI(see rule 6)Debt PositionDebt Outstanding(Rs. in crore)

Sr.No.	Item	(Actuals)	Revised Estimates	Budget Estimates
		FY	FY	FY
1	2	3	4	5
I.	Internal Debt			
I)	Market Loans and Bonds (Bearing Interest)			
II)	Market Loans			

- (not Bearing Interest)
- III) Compensation and other Bonds.  
Total
- 2 Ways and Means Advances from  
Reserve Bank of India.
- 3 Loans from Banks and Other  
Institutions :
- I) Loans from L.I.C.
- II) Loans from R.B.I.and NABARD etc.
- III) Loans from the Other Institutions
- iv) Loans from the General Insurance  
Corporation of India.
- v) Loans from the National Cooperative  
Development Corporation
- vi) Loans from State Bank and Other  
Commercial Banks
- vii) Loans from HDFC/HUDCO
- viii) Small Saving Loans
- Total (3)
- Total (I)
- II. Loans and Advances from the  
Central Govt.
- III. Small Savings, Provident Funds etc.
- (a) State Provident fund
- (b) Others (Insurance and  
Pension Fund)
- Total III
- Total Debt (I+II+III)
- Reserve Funds & Deposits
- Total Debt (including Reserve Fund  
& Deposits)

Form XII(see rule 6) Number of employees in the Government/Public Sector  
Undertakings/Government aided institutions in Punjab  
Government Employees

Group	As on 31st March	As on 31st March
A		
B		
C		

D

Contingency paid work charged and on Contract basis

Total

As on 31st March As on 31st March

Board/Corporations

Municipal Committees/Corporation

Improvement Trust

Zila Parishad

Market Committees

Panchayat Samitis

Total

Source:- Economic and Statistical Organization, Punjab Form XIII (see rule 6) Expenditure on Salaries, Wages, Pension & Retirement Benefits and Interest

Sr. No FY (Accounts) FY (Revised Estimates) FY (Budget Estimates)

Total Total Total

I Revenue Account

a) Salary

b) Wages

Total II (a+b)

c) Pension &

Retirement benefits

d) Interest

Total I (a+b+c+d)

II Capital Account

a) Salary

b) Wages

Total II (a+b)

Total I + II

Form XIV (see rule 6) Position of Outstanding Government Guarantee as on 31.03. (Anticipated) (Rs. in Crores)

Sr. No.	Name of PSUs/Apex Co-operative Institutions/Boards	Nature of guarantee i.e. on Loan/Bond/Cash Credit and Credit and Others (Pl. Specify)	Maximum Amount (Guaranteed)	Amount Outstanding as on 31.03	Total	Total Debt	Total Equity	Remarks
Short Term	Long Term	Total						

1	2	3	4	5	6	7	8	9	10
A	Industries								
1	Punjab Financial Corporation								
	Punjab State Industrial Dev. Corp.								
2									
	Punjab Small Industries & Export Corp.								
3									
	Punjab INFOTECH Pb. Khadi & Village Industries Board								
4									
5									
	Agriculture, Animal Husbandry and Forest								
B									
	Punjab State Seeds Corporation								
6									
	Punjab Land Dev. & Reclamation Corp.								
7									
	Punjab Agro Industries Corp.								
8									
	Punjab State Warehousing Corporation								
9									
	Punjab State Container & Warehousing Corp.								
10									
	Punjab State Forest Dev. Corporation								
11									
	Punjab Mandi Board								
12									
	Punjab Agro Food Grain Coporation								
13									
	Punjab Agri Export Corporation Ltd.								
14									
	Punjab Rural Development Board								
15									
C	Power & Irrigation								

- 16 Punjab State Power Corporation
- Punjab State
- 17 Transmission Corporation
- Punjab Water Res.
- 18 Mgt. & Dev. Corporation
- D Welfare
- Punjab SCs Land
- 19 Dev. & Finance Corpn
- Punjab Backward
- 20 Classes Land Dev. Fin. Corpn.
- E Food
- Pb. State Civil
- 21 Supplies Corporation
- 22 PUNGRAIN
- F Transport
- Pepsu Road
- 23 Transport Corporation
- Punjab Bus Stand
- 24 Management Company
- G Local Government
- Pb. Water Supply &
- 25 Sewerage Board
- 26 PMIDC
- H Home
- Punjab Police
- 27 Housing Corporation
- I Defence Services
- Welfare
- Punjab
- 28 Ex-servicemen Corporation

J	Cooperation
29	MILKFED
30	SUGARFED
31	MARKFED
32	HOUSEFED
33	Pb. State Co-op. Agri. Dev. Bank
34	Punjab State Cooperative Bank
35	PUNCOFED
K	Science & Technology
36	Punjab Pollution Control Board
37	Punjab Energy Development Agency
L	Development
38	Punjab Infrastructure Dev. Board
39	Punjab Roads & Bridges Dev. Board
M	Health
40	Punjab Health System Corpn.
N	Housing & Urban Development
41	PUDA
O	Already Closed Units
42	Punjab State Leather Dev. Corpn.
43	PUNTEX
44	Pb.State Hosiery & Kintwear Dev. Corp
45	Punjab Poultry Dev. Corporation
46	

Punjab Tourism  
Development  
Corporation  
Total

Form XV(see rule 7)Trends in Receipt and Expenditure in relation to the budgetGovernment of  
PunjabDepartment of Finance(Finance Budget-II Branch)Subject: - Regarding Quarterly Review of  
Receipts and Expenditure of State Government for ..... Quarter of Financial Year.....\*\*\*\*\*

- 1 Revenue Receipts
- 2 Revenue Expenditure
- 3 Revenue Surplus(+) / Revenue Deficit (-)
- 4 Expenditure (Budgetary)
- 5 Capital Expenditure
- 6 Fiscal Surplus (+) / Deficit (-)
- 7 Primary Surplus (+) / Deficit (-)