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असाधारण राजपत्र, हिमाचल प्रदेश, 5 जुलाई, 2005/14 आषाढ़, 1927

[Authoritative English text of this Department Notification Number Fin. Comm.D(4)-1/2002, dated 4-7-2005 as required under clause (3) of Article 348 of the Constitution of India]

FINANCE DEPARTMENT

NOTIFICATION

Shimla-2, the 4th July, 2005

No. Fin. Comm. D(4)-1/2002.— In exercise of the powers conferred by section 8 of the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005, the Governor of Himachal Pradesh hereby makes the following rules, for carrying out the provisions of this Act, namely: —

1. Short title and commencement.— (1) These rules may be called the Himachal Pradesh Fiscal Responsibility and Budget Management Rules, 2005.

(2) They shall come into force on the date of publication of this Notification in official Gazette.

2. Definitions.— (1) In these rules, unless the context otherwise requires,—

- (a) "Act" means the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005;
- (b) "Cumulative debt" means the outstanding debt of the State Government on 31st March of that year;
- (c) "Form" means a form appended to these rules;
- (d) "GSDP" means gross domestic product of the State at current prices; and
- (e) "section" means a section of the Act.

(2) All other words and expressions used herein but not defined shall have the same meanings as respectively assigned to them in the Act.

3. Annual targets.—(1) In order to achieve the elimination of revenue deficit, by the 31st day of March, 2009 as set out in sub-section (1) of section 5, the State Government shall endeavour to reduce the deficit by an amount equivalent to two percentage points of the total revenue receipts at the end of each financial year, compared to previous year, beginning with the financial year 2005-06, till revenue deficit is eliminated.

(2) The State Government shall progressively reduce the outstanding guarantees below 80% of total revenue receipts.

(3) ~~Fiscal deficit will be brought down~~ by two percentage point every year compared to previous year, till it is reduced to 3% of gross state domestic product.

4. Medium Term Fiscal Plan Statement.— The medium term fiscal plan statement, as required to be laid before the Vidhan Sabha by the State Government under sub-section (3) of section 3 along with the annual budget shall be in Form 1.

5. Fiscal Indicators.— (1) In the medium term fiscal plan statement, fiscal four year rolling targets in respect of the following fiscal indicators shall be in the format as given in Form-1 and shall include relevant information including the following: —

- (i) revenue deficit as a percentage of total revenue receipts;
- (ii) fiscal deficit as a percentage of gross state domestic product;
- (iii) tax revenue as a percentage of gross state domestic product ;
- (iv) total outstanding debt of the State Government as a percentage of gross state domestic product of the State for the relevant year.

6. Disclosures.— (1) In order to ensure greater transparency in its fiscal operations in the public interest, the State Government shall, at the time of presenting the annual budget, make disclosures as provided for under sub-section (2) of section 6 in Forms 2, 3 and 4.

7. Measures to enforce compliance.— (1) The review of the trends of receipts and expenditure shall be placed in the Vidhan Sabha on Form 5.

(2) The Minister-in-Charge shall present a Statement on the trends of receipts and expenditure, the deviations therein, the economic environment and the policy of the State Government alongwith a review prescribed on Form 5, to be laid in the Vidhan Sabha. The remedial measures proposed to be taken by the State Government shall also be laid in the Vidhan Sabha alongwith the review of receipts and expenditure.

(3) The State government shall take appropriate remedial measures and the Minister-in-Charge of the Finance shall make a statement in the Legislative Assembly during the session immediately following the end of the second quarter detailing the corrective measures being taken.

By order,
Sd/-

Additional Chief Secretary (Fin.).

Form 1

(See rule 4 and 5)

Medium Term Fiscal Plan Statement**A. Fiscal Indicators - Rolling Targets :**

Fiscal Indicators	Current year Revised Estimates	Ensuing year Target: Budget Estimates Y	Targets for next Two years	
			Y+1	Y+2
1. Revenue receipts				
2. Revenue expenditure				
3. Revenue deficit as percentage of revenue receipts.				
4. Fiscal deficit as percentage of gross state domestic product.				
5. Tax revenue as percentage of gross state domestic product.				
6. Total outstanding Debt as percentage of gross state domestic product.				
7. Total outstanding guarantees as percentage of revenue receipts.				

B. Assumptions underlying the Fiscal Indicators :**1. Revenue receipts:**

- (a) Tax-revenue growth rates and gross state domestic product growth rate.
- (b) Non-tax-revenue-Policy stance.

2. Capital receipts:

- (a) Fresh loans and policy stance
- (b) Recovery of loans

- (c) Other receipts
- (d) Borrowings-Public Debt and Other Liabilities

3.Total expenditure:

- (a) Revenue account :
 - (i) Salaries and Wages
 - (ii) Pensions
 - (iii) Interest payments
 - (iv) Major subsidies
 - (v) Others
- (b) Capital account :
 - (i) Loans and advances
 - (ii) Capital outlay

4. Gross State Domestic Product Growth.

C. Statement on:

(i) The balance between revenue receipts and revenue expenditure.— The medium term fiscal plan statement may specify the tax-gross state domestic product ratio for the current year and subsequent two years with an assessment of the changes required for achieving it. It may discuss the non-tax revenues and the policies concerning the same. An assessment of the capital receipts may be made, including the borrowings and other liabilities, as per policies spelt out. The statement may also give projections for gross state domestic product and discuss it on the basis of assumptions underlying the indicators. Expenditure on revenue account, both plan and non-plan, may also be made with particular emphasis on the measures proposed to meet the overall objectives.

(ii) The use of capital receipts including market borrowings for generating productive assets.— The medium term plan statement may also specify the proposed use of capital receipts for generating productive assets in different categories. It may also spell out proposed changes among these categories and discuss it in terms of the overall policy of the Government in achieving the State's objectives.

(iii) Statement on recent economic trends and future prospects of growth affecting fiscal position of the State Government.

(iv) Strategic priorities of the Government in the fiscal areas.

(v) Statement of cumulative debt or liabilities.

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असाधारण राजपत्र, हिमाचल प्रदेश, 5 जुलाई, 2005/14 आषाढ़, 1927

Form 2
(See rule 6)

Accounting Policy and Practices of the State Government

Existing Procedures/Practices	Change, if any	Reasons for Changes	Impact, if any
(1) Existing Accounting Standards (Details to be given).			
(2) Existing Accounting Policy/Practice (Details to be given).			

Form 3

(See rule 6)

Statement of Guarantees on Long Term Liabilities of State Government

Maximum Amount Guaranteed for the year for which actuals are available (Rs. crore)	Amount outstanding against the guarantee given (Rs. crore)	Guarantees outstanding as on 31 st March of previous year (Rs. crore)	Additional guarantees given during the current year (Rs. crore)	Remarks, if any
1	2	3	4	5

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असाधारण राजपत्र, हिमाचल प्रदेश, 5 जुलाई, 2005/14 आषाढ़, 1927

Form 4

[See rule 6(1)]

Detail of Number of Employees as on 31st March.....

		Number	Salary		
			Plan	Non-Plan	Total
1	State Govt. Employees (Demand wise/Deptt. wise)				
2	Public Sector Undertakings.				
3	Aided Institutions				
	Total No. of Employees.				

Form 5

(See rule 7)

Review of Receipts and Expenditure

Item	Budget Estimates of current year	Latest Estimates of current year	Expected Increase/ Decrease	Reasons for Deviation
1	2	3	4	5
A. REVENUE RECEIPTS				
(i) State's Own				
(a) Tax revenue				
(b) Non tax revenue				
(ii) Central Transfers (including Central Taxes)				
(iii) Centrally Sponsored Scheme Grants (excluding Centrally Sponsored Scheme loans)				
1. TOTAL : A (i to iii) REVENUE RECEIPT				
B. REVENUE EXPENDITURE				
(i) Non-Plan				
i(a) interest payment (included above in i)				
i(b) Pension (Plan) included below in (ii)				
i(c) Pension (Non-plan) included above in (i)				
(ii) Plan				
(iii) Centrally Sponsored Scheme				
2. TOTAL : B [i to iii excluding i (a)] REVENUE EXPENDITURE				
3. Revenue Deficit (A-B)				
C. CAPITAL RECEIPTS				
(i) Total Borrowings (excluding Wages & Means overdraft and includes net General Provident Fund receipts)				
(ii) Recovery of Loans				
4. TOTAL : C (i & ii) CAPITAL RECEIPTS				
D. CAPITAL EXPENDITURE				
(i) Repayment of loans				
(ii) Non-Plan Capital Expenditure				
(iii) Plan Capital Expenditure				
(iv) Centrally Sponsored Scheme				
5. TOTAL : D (i to iv) CAPITAL EXPENDITURE				
E. Capital Deficit/Surplus (C-D)				
F. Fiscal Deficit [3+D (ii+iii+iv)-C (ii)]				
G. Primary Deficit [F-B i (a)]				

H. Statement regarding deviation attributed to general economic environment & policy charges.

I. Statement of proposed remedial measures

2. नियम 3 के उप-नियम (2) का संशोधन.—हिमाचल प्रदेश राजकोषीय उत्तरदायित्व और बजट प्रबंधन नियम, 2005 के नियम 3 के उप-नियम (2) के स्थान पर निम्नलिखित रखा जाएगा:—

“(2) राज्य सरकार पूर्ववर्ती वर्ष की कुल राजस्व प्राप्तियों के चालीस प्रतिशत से नीचे की जोखिम भारित प्रत्याभूतियों को उत्तरोत्तर कम करेगी ” ।

आदेश द्वारा,

हस्ताक्षरित/-
सचिव ।

[Authoritative English text of this department notification No. Fin. G. E(4)-1/2007, dated 13-7-2007 as required under clause (3) of Article 348 of the Constitution of India].

FINANCE DEPARTMENT

NOTIFICATION

Shimla-171 002, the 13th July, 2007

No. Fin. G. E (4)-1/2007—In exercise of the powers conferred by section 8 of the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005, the Governor of Himachal Pradesh hereby makes the following rules to amend the Himachal Pradesh Fiscal Responsibility and Budget Management Rules, 2005 notified vide this department notification number Fin. Comm. D(4)1/2002, dated the 4th July, 2005 and published in the Rajpatra, Himachal Pradesh (Extra-ordinary) dated the 5th July, 2005, namely:—

1. *Short title.*—These rules may be called the Himachal Pradesh Fiscal Responsibility and Budget Management (Amendment) Rules, 2007.

2. *Amendment of sub-rule (2) of rule 3.*—For sub-rule (2) of rule 3 of the Himachal Pradesh Fiscal Responsibility and Budget Management Rules, 2005 the following shall be substituted:—

“(2) The State Government shall progressively reduce the risk weighted guarantees below forty percent of the total revenue receipts of the preceding year”.

By order,

Sd/-
Secretary.

नियन्त्रक, मुद्रण तथा लेखन सामग्री, हिमाचल प्रदेश, शिमला-5 द्वारा मुद्रित तथा प्रकाशित

(Authoritative English text of this Department Notification Number Fin. G-F (4) 1/2004-IV, dated 9th March, 2012 as required under clause(3) of Article 348 of the Constitution of India)

**Government of Himachal Pradesh,
Finance Department.**

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Notification

NO. Fin. G-F (4) 1/2004-IV

Dated Shimla-171 002, the 9th March, 2012

In exercise of the powers conferred by section 8 of the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005, the Governor of Himachal Pradesh hereby makes the following rules further to amend the Himachal Pradesh Fiscal Responsibility and Budget Management Rules, 2005, published in the Rajpatra, Himachal Pradesh (Extra-ordinary) on the 5th July, 2005 vide Government Notification No. Fin. Comm. D(4)-1/2002, dated 04-07-2005 for carrying out the provisions of the Act, namely:-

Short title. 1. These rules may be called the Himachal Pradesh Fiscal Responsibility and Budget Management (Amendment) Rules, 2012.

Substitution of 2. For rule 3 of the Himachal Pradesh Fiscal Responsibility and **rule 3.** Budget Management Rules, 2005 (herein after referred to as the "said rules"), the following shall be substituted, namely:-

"3. Annual Targets.- (1) The State Government shall take all possible steps in order to achieve the targets of revenue deficit, fiscal deficit and debt as specified in sub-section (1) of section 5 of the Act. (2) In case the targets specified in sub-section (2) of section 5 of the Act are exceeded, a statement of the ground or grounds which led to the exceeding of the targets shall be placed before the Legislative Assembly, alongwith the Medium Term Fiscal Plan Statement".

Amendment of 3. In rule 7 of the said rule, after sub-rule (3), the following sub-rule **rule 7.** Shall be added, namely:-

"(4) In order to review and monitor the fiscal reform path as indicated in the Act, the State Government shall constitute a committee for evolving an independent mechanism".

Substitution of 4. For existing Form-1 appended to the said rules, the following new Form-1. Form-1 shall be substituted, namely:-

“Form-1

(See rule 4 and 5)

Medium Term Fiscal Plan Statement

A. FISCAL INDICATORS – ROLLING TARGETS:

Fiscal Indicator	Current year Revised Estimates	Ensuing year Target: Budget Estimates Y	Target for next three years		
			Y+1	Y+2	Y+3
1. Revenue Receipts					
2. Revenue expenditure					
3. Revenue deficit as percentage of revenue receipts.					
4. Fiscal deficit as percentage of gross state domestic product.					
5. Tax revenue as percentage of gross state domestic product					
6. Total outstanding Debt as percentage of gross state domestic product.					
7. Total outstanding guarantees as percentage of revenue receipts.					

B. ASSUMPTIONS UNDERLYING THE FISCAL INDICATORS:

1. REVENUE RECEIPT:

- (a) Tax-revenue growth rates and gross state domestic product growth rate.
- (b) Non-Tax-revenue-Policy stance.

2. CAPITAL RECEIPT:

- (a) Fresh Loans and Policy stance
- (b) Recovery of Loans
- (c) Other receipts
- (d) Borrowings-Public Debt and Other Liabilities

3. TOTAL EXPENDITURE

(a) REVENUE ACCOUNT:

- (i) Salaries and Wages
- (ii) Pensions
- (iii) Interest Payments
- (iv) Major Subsidies
- (v) Others

(b) CAPITAL ACCOUNT:

- (i) Loan and advances
- (ii) Capital outlay

4. GROSS STATE DOMESTIC PRODUCT GROWTH.

C. STATEMENT ON:

(i) The balance between revenue receipts and revenue expenditure:- The medium term fiscal plan statement may specify the tax-gross state domestic product ratio for the current year and subsequent three years with an assessment of the changes required for achieving it. It may discuss the non-tax revenues and the policies concerning the same. An assessment of the capital receipts may be made, including the borrowings and other liabilities, as per policies spelt out. The statement may also give projections for gross state domestic product and discuss it on the basis of assumptions underlying the indicators. Expenditure on revenue account, both Plan and Non-Plan, may also be made with particular emphasis on the measures proposed to meet the overall objectives.

(ii) The use of capital receipts including market borrowings for generating productive assets:- The medium term plan statement may also specify the proposed use of capital receipts for generating productive assets in different categories. It may also spell out proposed changes among these categories and discuss it in terms of the overall policy of the Government in achieving the State's objectives.

(iii) Statement on recent economic trends and future prospects of growth affecting fiscal position of the State Government.

(iv) Strategic priorities of the Government in the fiscal areas.

(v) Statement of cumulative debt or liabilities”.

By order

**Principal Secretary (Finance) to the
Government of Himachal Pradesh.**

Endorsement No:- Fin.G-F(4)1/2004-IV Dated Shimla-171002, the 9th March, 2012

1. All the Administrative Secretaries to the Government of Himachal Pradesh.
2. All the Head of Departments in Himachal Pradesh.
3. All the Deputy Commissioners in Himachal Pradesh.
4. All the Managing Directors, Boards/Corporations in Himachal Pradesh.
5. The Secretary, Vidhan Sabha, Himachal Pradesh, Shimla- 171004.
6. The Controller, Printing and Stationary, Himachal Pradesh, Shimla- 171005 with the request to publish the matter in the Extra Ordinary Rajpatra.
7. The Accountant General, Himachal Pradesh, Shimla- 171003.

**Secretary (Finance) to the
Government of Himachal Pradesh**