

हरियाणा सरकार

GOVERNMENT OF HARYANA

हरियाणा राजकोषीय उत्तरदायित्व

तथा

बजट प्रबन्धन अधिनियम, 2005 के अधीन
यथा अपेक्षित राजकोषीय नीति का विवरण तथा प्रकटीकरण

तथा

बजट अनुमान 2016-17 तथा
2017-18 के सम्बन्ध में प्राप्तियों तथा
खर्च के रुख का अर्धवार्षिक पुनर्विलोकन

**STATEMENTS OF FISCAL POLICY AND
DISCLOSURE
AS REQUIRED UNDER
THE HARYANA FISCAL RESPONSIBILITY &
BUDGET MANAGEMENT ACT, 2005
AND
HALF YEARLY REVIEW OF TRENDS IN
RECEIPTS AND EXPENDITUE IN RELATION TO
BUDGET ESTIMATES 2016-17 & 2017-18**

वित्त विभाग

Finance Department

2018-19

Form F-1

MACRO-ECONOMIC FRAMEWORK STATEMENT

1. Overview of the Economy: During 2016-17, the Gross State Domestic Product (GSDP) of Haryana at constant (2011-12) prices was ₹ 442200.56 crore recorded a growth of 8.2 percent while at current prices it was ₹ 545322.52 crore registering a growth of 12.2 percent. During 2017-18, as per Advance Estimates, the GSDP at constant prices is likely to reach the level of ₹ 477736.26 crore, growing at 8.0 percent and ₹ 608470.73 crore at current prices, recording a growth of 11.6 percent.

2. Gross State Value Added Growth: As per Quick Estimates, the Gross State Value Added (GSVA) of the State at current prices for 2016-17 was ₹ 490249.75 crore. The GSVA from agriculture (including crop and livestock production) sector increased at 13.5 percent the manufacturing sector at 11.2 percent and the services sector at 12.5 percent within the overall growth of GSVA of 11.6 percent at current prices in 2016-17. During 2017-18, the GSVA of the State at current prices has estimated at ₹ 541003.42 crore. The GSVA from agriculture sector is estimated to grow at 3.6 percent, the manufacturing sector at 10.4 percent and the services sector at 13.3 percent within the overall growth of GSVA of 10.4 percent at current prices in 2017-18.

2.1 At constant prices, the share of primary sector in the GSVA was 18.7 percent in 2016-17. During this period, the share of secondary sector was 31.3 percent while the share of tertiary sector was 50.0 percent. In 2017-18, the contribution of primary sector to GSVA is estimated to be ₹ 75580.31 crore (17.8 percent), the contribution of secondary sector is ₹ 132617.17 crore (31.3 percent). The tertiary sector's contribution is ₹ 215245.06 crore (50.9 percent). The growth in primary sector at constant prices has registered at 2.5 percent, the secondary sector grew at 7.7 percent and tertiary sector at 9.4 percent in 2017-18.

2.2 The per capita income in 2016-17 at constant prices (2011-12) was ₹ 1,45,163 and ₹ 1,78,890 at current prices. During 2017-18, as per Advance Estimates, the per capita income is likely to increase to ₹ 1,54,587 at constant (2011-12) prices and ₹1,96,982 at current prices.

3. Overview of State Government Finances: As per recommendations of 14th Finance Commission (FC) targets, the outstanding debt as percentage of GSDP is to be 25 percent during 2015-16 to 2019-20. The 14th FC Commission has assumed the Haryana as revenue surplus State and recommended the target of Fiscal Deficit and Net borrowings at 3.25 percent of GSDP from 2015-16 to 2019-20. However, being a revenue deficit State, the Ministry of Finance, Government of India has fixed the target of Net borrowings of the State as 3.0 percent of GSDP for 2017-18. For making the amendment in the Haryana FRBM Act, 2005 with new set of 14th FC targets, guidelines have not been finalized by the Government of India. Necessary amendment in the Haryana FRBM Act, 2005 would be made on receipt of the requisite guidelines from Government of India.

3.1. The Revenue Deficit has been assessed at ₹ 8226.17 crore in RE 2017-18. The Revenue Deficit as percentage to GSDP is expected to about 1.35 percent in RE 2017-18. In BE 2018-19, it is projected at ₹ 8253.51 crore. The Revenue Deficit as percentage to GSDP is expected to about 1.20 percent in 2018-19. The Fiscal Deficit as percentage to GSDP is projected in RE 2017-18 at 2.83 percent and likely to be 2.82 percent in BE 2018-19.

3.2. The Total Revenue Receipts (TRR) was ₹ 52496.82 crore in 2016-17 and ₹ 70085.13 crore in RE 2017-18 showing increase of 33.5 percent. In BE 2018-19, TRR has been assessed at ₹ 76933.02 crore. Total Revenue expenditure in 2016-17 was ₹ 68403.43 crore which has increased to ₹ 78311.30 crore in RE 2017-18 showing increase 14.5 percent. In BE 2018-19, it has been assessed to ₹ 85186.53 crore.

3.3. The schemes for the Consolidated Sinking Fund (CSF) and Guarantee Redemption Fund (GRF) were notified on 31st July, 2003 by the State Government. Under the CSF one percent contribution of the outstanding balance of market borrowing is required to be deposited in the Fund through RBI. The objective of this Fund is to utilize as an Amortization Fund for redemption of market loans of the Government. In GRF, the actual receipts of the Guarantee Fee of the previous year are being invested in the Guarantee Redemption Fund in the current financial year through RBI. This Fund is to be utilized for meeting the payment obligations arising out of the guarantees issued by the Government in respect of bonds issued and

other borrowings by the State Level Undertakings or other bodies and invoked by the 'beneficiaries'.

4. Prospects: The Fourteenth Finance Commission has projected an average annual growth rate of 15.73 percent at current prices for the State for the period 2015-16 to 2019-20.

The Revenue Deficit as percentage of GSDP is estimated to be about 1.20 percent in Budget Estimates 2018-19.

The Fiscal Deficit, as percentage of GSDP projected 2.82 percent in BE 2018-19, is within the prescribed limit of 3 percent of GSDP. Similarly, the outstanding debt, as a percentage of GSDP, estimated at 19.66 percent without UDAY and 23.44 percent with UDAY in BE 2018-19, is also within the stipulated limit of 25 percent recommended by the 14th Finance Commission.

F-1 (Contd.)

Macro Economic Framework Statement

Economic Performance at a Glance

Table 1: Trends in Select Macroeconomic and Fiscal Indicators

| Sr. No. | Particular | Absolute Value (₹ Crore) | | Percentage Changes over previous year | |
|--------------------|--|-----------------------------|----------------------------|--|----------------------------|
| | | April-March | | April-March | |
| | | Previous Year 2016-17 | Current Year 2017-18 | Previous Year 2016-17 | Current Year 2017-18 |
| Real Sector | | | | | |
| 1 | Total GSDP | | | | |
| (a) | at current prices | 545322.52 | 608470.73 | 12.2 | 11.6 |
| (b) | at constant (2011-12) prices | 442200.56 | 477736.26 | 8.2 | 8.0 |
| 2. | Total GSVA at basic prices* | | | | |
| (a) | at current prices | 490249.75 | 541003.42 | 11.6 | 10.4 |
| (b) | at constant (2011-12) prices | 393556.54 | 423442.55 | 8.2 | 7.6 |
| 3. | Agriculture (Crops + Livestock) Production (GSVA) | | | | |
| (a) | at current prices | 91344.31 | 94607.05 | 13.5 | 3.6 |
| (b) | at constant (2011-12) prices | 67566.19 | 68776.03 | 10.9 | 1.8 |
| 4. | Industrial (Manufacturing) Production (GSVA) | | | | |
| (a) | at current prices | 98976.54 | 109275.87 | 11.2 | 10.4 |
| (b) | at constant (2011-12) prices | 88094.57 | 95734.37 | 5.8 | 8.7 |
| 5. | Tertiary Sector Production (GSVA) | | | | |
| (a) | at current prices | 239228.71 | 270980.68 | 12.5 | 13.3 |
| (b) | at constant (2011-12) prices | 196679.89 | 215245.06 | 8.8 | 9.4 |

(Contd.)

| Sr. No. | Particular | Absolute Value (₹ Crore) | | Percentage Changes over previous year | |
|-------------------------------|--|-----------------------------|-------------------------|--|-------------------------|
| | | April-March | | April-March | |
| | | Previous Year 2016-17 | Current Year 2017-18 | Previous Year 2016-17 | Current Year 2017-18 |
| Government Finances ** | | | | | |
| 1 | Revenue Receipts (2 +3) | 52496.82 | 70085.13 | 10.39 | 33.50 |
| 2 | Tax Revenue (2.1+2.2) | 40623.16 | 53061.52 | 11.52 | 30.62 |
| 2.1 | Own Tax Revenue | 34025.71 | 44689.74 | 10.01 | 31.34 |
| 2.2 | State's Share in Central Taxes | 6597.45 | 8371.78 | 20.04 | 26.89 |
| 3 | Non-Tax Revenue (3.1 + 3.2) | 11873.66 | 17023.61 | 6.67 | 43.37 |
| 3.1 | State's Own Non Tax Revenue | 6196.09 | 10984.92 | 30.38 | 77.29 |
| 3.2 | Central Transfers | 5677.57 | 6038.69 | -10.99 | 6.36 |
| 4 | Capital Receipts (5+6+7)1 | 27284.61 | 23600.39 | -14.30 | -13.50 |
| 5 | Recovery of loans | 973.23 | 6321.94 | 196.46 | 549.58 |
| 6 | Other Receipts | 26.27 | 38.00 | -12.37 | 44.65 |
| 7 | Borrowings and other liabilities(Net) | 26285.11 | 17240.45 | -16.50 | -34.41 |
| 8 | Total Receipts (1+ 4) | 79781.43 | 93685.52 | 0.49 | 17.43 |
| 9 | Revenue Expenditure of which: | 68403.43 | 78311.30 | 68.17 | 14.48 |
| 10 | (a) Interest payments | 10541.91 | 11887.40 | 27.26 | 12.76 |
| | (b) Subsidies | 6608.86 | 7600.00 | 4.52 | 15.00 |
| | (c) Wages and Salaries | 16471.94 | 18831.67 | 17.79 | 11.29 |
| | (d) Pension Payments | 5659.34 | 8400.00 | 4.55 | 48.43 |
| 11 | Capital Expenditure | 11378.00 | 15374.22 | 1935.53 | 35.12 |
| 12 | Total Expenditure (9+11) | 79781.43 | 93685.52 | 0.49 | 17.43 |

| Sr. No. | Particular | Absolute Value (₹ Crore) | | Percentage Changes over previous year | |
|---------|---|-----------------------------|-------------------------|--|-------------------------|
| | | April-March | | April-March | |
| | | Previous Year 2016-17 | Current Year 2017-18 | Previous Year 2016-17 | Current Year 2017-18 |
| 13 | Revenue Deficit (9-1) | 15906.61 | 8226.17 | 36.20 | -48.28 |
| 14 | Fiscal Deficit 12- (1+5+6) | 26285.11 | 17240.45 | -16.50 | -34.41 |
| 15 | Primary Surplus/Deficit (14-10a) | 15743.20 | 5353.05 | -32.13 | -66.00 |
| 16 | Average amount of Ways and Means Advances from Reserve Bank of India | Nil | Nil | -- | -- |
| 17 | Average amount of Over Draft from RBI | Nil | Nil | -- | -- |
| 18 | Number of days of Over Draft | Nil | Nil | -- | -- |
| 19 | Number of occasions of Over Draft | Nil | Nil | -- | -- |

Note:-

* GSVA estimates for 2017-18 are based on targets/anticipated achievements in case of Agriculture & Allied sector and on previous years' trends in case of remaining sectors. These estimates relate to the period 1st April to 31st March and are Quick Estimates for 2016-17 and Advance Estimates for 2017-18.

** The figures for 2017-18 have been projected on the basis of monthly accounts received from Accountant General (A&E), Haryana and Online Budget Allocation Monitoring Analysis System (OBAMAS). The interest payments on GPF/Reserve Funds and that of Departments like Irrigation, Transport, Food & Supplies etc. would be reflected in March, 2018.

Form F-2**MEDIUM TERM FISCAL POLICY STATEMENT****A. Fiscal Indicators - Rolling Targets**

| | Previous Year (Y-2) Actual (2016-17) | Current Year (Y-1) Budget Estimates (2017-18) | Current Year (Y-1) Revised Estimates (2017-18) | Ensuing Year (Y) Budget Estimates (2018-19) | Targets for next Two Years | |
|--|--|---|--|--|-------------------------------|--------------------|
| | | | | | Y + 1 (2019-20) | Y + 2 (2020-21) |
| 1. Revenue Deficit as percentage of Total Revenue Receipts (TRR) | 30.30 | 16.17 | 11.74 | 10.73 | Revenue Surplus | Revenue Surplus |
| 2. Fiscal Deficit as percentage of GSDP | 4.82 | 2.84 | 2.83 | 2.82 | 3.00 | 3.00 |
| 3. Total outstanding Debt liabilities as percentage of GSDP | 22.85 | 22.93 | 23.30 | 23.44 | 25.00 | 25.00 |
| 4. [Any additional target(s)] | - | - | - | - | - | - |

B. Assumptions underlying the fiscal indicators**1. Revenue Receipts****a) Tax Revenue**

The tax revenue of the State budgeted at ₹ 43339.74 crore in BE 2017-18 is projected to increase to ₹ 44689.74 crore at RE 2017-18. In BE 2018-19, the tax revenue is estimated at ₹ 49131.74 crore, showing an increase of 13.36 percent over BE 2017-18.

b) Non Tax Revenue

The non-tax revenue of the State was budgeted at ₹ 10081.72 crore in BE 2017-18, which has been revised to ₹ 10984.92 crore as per RE 2017-18. The estimates for BE 2018-19 are at ₹ 11302.66 crore showing an increase of 12.11 percent over BE 2017-18.

c) Devolution to Local Bodies

The State Government devolves funds to the Local Bodies for development works in their area of jurisdiction. In addition to normal budgetary support, the funds are being allocated regularly as per Central Finance Commission

recommendations. Further, as per State Finance Commission recommendations, a provision of ₹ 875.50 crore has been made in BE 2018-19 to Local Bodies. Apart from this, the amount collected as 5 percent Cess on VAT are being transferred to Local Bodies (PRIs and ULBs) in the ratio of 80:20 and share in Stamp Duty, Compensation and Assignment etc. are also being devolved to Local Bodies. For this, there is a budget provision of ₹ 4088.60 crore in RE 2017-18 and ₹ 2563.40 crore in BE 2018-19.

d) Share of Own Tax Revenue to Total Tax Revenue

As per RE 2017-18, total tax revenue including share of Central taxes has been estimated ₹ 53061.52 crore, of which State's own tax revenue was ₹ 44689.74 crore, constituting 84.22 percent share in total taxes. Similarly, in BE 2018-19, the total tax revenue is estimated at ₹ 58431.74 crore, which includes State's own tax revenue of ₹ 49131.74 crore constituting 84.08 percent share in total taxes.

e) Share of own non-tax revenue to total non tax revenue

As per RE 2017-18, total non-tax receipts including central grants are at ₹ 17023.61 crore, of which State's own non-tax revenue is ₹ 10984.92 crore, which constituted 64.53 percent of total non-tax revenue. During 2018-19, the total non tax revenue is estimated at ₹ 18501.28 crore including ₹ 11302.66 crore as State's own non tax revenue, thereby constituting 61.09 percent of the total non tax revenue.

2. Capital Receipts- Debt stock, repayment, fresh loans and policy stance

(a) Loans and Advances from the Centre

In BE 2017-18, provision for loans and advances from Centre was made at ₹ 790.00 crore (EAP & NDCDC) which has been revised to ₹ 357.80 crore in RE 2017-18. During 2018-19, a budget provision of ₹ 574.53 crore has been made for this purpose.

(b) Special Securities issued to National Small Savings Fund

Being a costlier loan, no budget provision on account of National Small Savings Fund (NSSF) was made in BE and RE 2017-18. Accordingly, no budget provision has also been made in BE 2018-19.

(c) Recovery of loans and advances

A provision of ₹ 5963.66 crore with UDAY and ₹ 773.66 crore without UDAY was made in BE 2017-18 as recovery of loans & advances towards the Capital account. In RE 2017-18, a provision of ₹ 6321.94 crore with UDAY and ₹ 1131.94 crore without UDAY has been made. In BE 2018-19, provision of ₹ 5360.19 crore with UDAY and ₹ 170.19 crore without UDAY has also been made.

In the previous years, the State Government had decided to give soft loan to the Private and Cooperative Sugar Mills of the State for making the pending payment to the cane growers. For granting financial assistance to Co-operative Sugar Mills, a provision of ₹200.00 crore under Major Head-6860-Loans (Plan) has been made in RE 2017-18. In BE 2018-19, provision of ₹ 200.00 crore for financial assistance to Cooperative Sugar Mills has also been made under Major Head-6860-Loans (Plan).

(d) Borrowings from Financial Institutions

A provision of ₹ 2097.00 crore was made as Negotiated Loans (NL) in BE 2017-18 which included ₹ 1819.00 crore from NABARD and ₹ 278.00 crore from NCR Planning Board (NCRPB). In RE 2017-18, Negotiated Loans have been revised downwards to ₹ 730.41 crore (₹ 591.66 crore for NABARD and ₹ 138.75 crore for NCRPB) resulting decrease of ₹ 1366.59 crore. In BE 2018-19, keeping in view the likely utilization of negotiated loans, a provision of ₹ 1321.35 crore as NABARD loan and ₹ 192.90 crore as loan from NCRPB, with a total provision of ₹ 1514.25 crore has been made.

(e) Other Receipts (net)- Small Savings, Provident Fund, etc.

A provision of ₹ 1305.00 crore was made in BE 2017-18 as net receipts from provident fund etc. As per receipt trends, the amount has been revised to ₹ 1005.00 crore in RE 2017-18 and a provision of ₹ 1055.00 crore has been made in BE 2018-19.

(f) Outstanding liabilities- Internal Debt and other liabilities

As per RE 2017-18, the State debt liabilities are estimated at ₹ 115824.79 crore without UDAY and ₹ 141774.79 crore with UDAY, which would go up to

₹ 135064.00 crore without UDAY and ₹ 161014.00 crore with UDAY as per BE 2018-19.

3. Total Expenditure- Policy Stance

(a) Revenue Account

(i) Interest Payments

As per BE 2018-19, a total provision of ₹11910.54 crore without UDAY and ₹14037.39 crore with UDAY has been made for interest payments. This interest amount includes a sum of ₹ 8976.74 crore on market borrowings, ₹ 52.91 crore on central loans, ₹ 1080.53 crore on NSSF loans, ₹ 236.06 crore on negotiated loans, ₹ 1164.25 crore on GPF, ₹ 100.00 crore on SBI Loans, ₹ 2126.85 crore for DISCOMs and ₹ 300.05 crore on others.

(ii) Major Subsidies

A total provision of ₹ 7600.00 crore has been made as Rural Electrification (RE) Subsidy under Major Head 2801- Power (NP) in RE 2017-18 and ₹ 6478.40 crore in BE 2018-19.

(iii) Salaries

A provision of ₹ 18331.67 crore has been made for salaries in RE 2017-18, which constitutes 26.16 percent of Total Revenue Receipts (TRR). The provision for salaries has been kept at ₹ 20597.37 crore during 2018-19, keeping in view the acceptance of recommendations of Seventh Central Pay Commission. This constitutes 26.77 percent of Total Revenue Receipts.

(iv) Pensions

A provision of ₹ 8400.00 crore has been made in RE 2017-18, which constitutes 11.99 percent of TRR. A provision of ₹ 8301.22 crore has been made towards payment of pensions in BE 2018-19 constituting 10.79 percent of TRR.

Capital Account

(i) Loans & Advances

In RE 2017-18, a provision of ₹ 1603.84 crore has been made as loans from various sources. In BE 2018-19, a provision of ₹ 1766.42 crore has been made as loans from various sources.

(ii) Capital Expenditure

During 2016-17, the capital expenditure (Net of expenditure on Food Procurement) was ₹ 11058.27 crore. As per RE 2017-18, it is ₹ 15589.55 crore. In 2018-19 BE, it is projected at ₹ 17644.80 crore.

4. GSDP Growth

During 2016-17, the GSDP at current prices has been estimated at ₹ 545322.52 crore with a growth of 12.2 per cent over the previous year. As per advance estimates of 2017-18, the GSDP at current prices is expected to increase to ₹ 608470.73 crore with growth of 11.6 percent.

C. Assessment of Sustainability

Net balance on year's account (gross budget) is estimated at ₹ (-) 291.80 crore in RE 2017-18 and ₹ (-) 229.31 crore in BE 2018-19. Total Tax-GSDP ratio, which was 6.22 percent in 2016-17, is estimated at 7.34 percent in RE 2017-18 and 7.15 percent in BE 2018-19. The own non-tax-GSDP ratio which was 1.13 percent in 2016-17, is expected to be 1.81 percent in RE 2017-18 and 1.64 percent in BE 2018-19. The ratio of share in central taxes to GSDP which was 1.21 percent in 2016-17 and 1.38 percent in RE 2017-18, has been estimated at 1.35 percent in BE 2018-19.

The grant-in-aid was ₹ 7017.64 crore in BE 2017-18 is expected to be ₹ 6038.69 crore at RE 2017-18 and further increased to ₹ 7198.62 crore in BE 2018-19.

The revenue expenditure provided at ₹ 79935.84 crore in BE 2017-18, is likely to go down to ₹ 78311.30 crore in RE 2017-18. During 2018-19 BE the revenue expenditure is estimated at ₹ 85186.53 crore, resulting in revenue deficit of ₹ 8253.51 crore.

Expenditure on salaries and pensions, which was 40.83 percent of TRR in 2016-17, has decreased to 38.14 percent in RE 2017-18 and likely to be 37.56 percent in BE 2018-19. Similarly, the ratio of interest payment to TRR, which was 20.08 percent in 2016-17 has decreased to 16.96 percent in RE 2017-18 and 18.25 percent in BE 2018-19 in view of increase in State borrowings.

The debt liabilities of the State stood at ₹ 98652.74 crore without UDAY and ₹124602.74 crore with UDAY during 2016-17. It is expected to be ₹115841.63 crore without UDAY and ₹ 141791.63 crore with UDAY by the end of 2017-18. In 2018-19, it is estimated at ₹ 135208.62 crore without UDAY and ₹ 161158.62 crore with UDAY. The ratio of State Debt to GSDP which was at 18.09 percent without UDAY and 22.85 percent with UDAY in 2016-17 has increased to 19.04 percent without UDAY and 23.30 percent with UDAY in RE 2017-18. It has further increased to 19.66 percent without UDAY and 23.44 percent with UDAY by the end of 2018-19.

Form F-3**A. Fiscal Policy Overview**

During 2016-17, the GSDP of Haryana has recorded a growth of 8.2 percent at constant (2011-12) prices and 12.2 percent at current prices. During 2017-18 as per Advance Estimates, the growth of GSDP is estimated at 8.0 percent at constant (2011-12) prices and 11.6 percent at current prices.

B. Fiscal policy for ensuing year**(1) Tax Policy**

The State Government adopted VAT system of taxation with effect from 01.04.2003. The Taxation policy of the Government is revised from time to time.

(2) Expenditure Policy

The focus is on adequate funding of infrastructure sectors including Irrigation, Power and Public Works. Similarly, to take care of the social sector, the outlay for health and education has been increased over the years. The non-essential revenue expenditure is being contained.

(3) Consolidated Sinking Fund

The Consolidated Sinking Fund was set-up in 2002-03, which is being maintained with the RBI. A sum equal to 1 percent of the outstanding market borrowings as on 31st March of preceding year was required to be invested in the Fund every year. However, a sum equal to 1 percent of the outstanding market borrowings are not being invested in the Fund from 2016-17. Total funds of ₹ 1516.93 crore are invested in the Fund as on 31.03.2016.

(4) Levy of User charges

The user charges are being revised from time to time. During the next year the user charges will be reviewed and revised, if the need arises.

C. Strategic priorities for the ensuing year:

To manage the debt of the State and investment of surplus money, a Debt Management Cell has been created in Finance Department Haryana. This Cell will be functional in FY 2018-19 after filling up the newly created posts.

The Haryana State Financial Services Limited will also be established in the State with the objectives to advance, deposit, lend money or provide financial assistance with or without security to the State PSEs. To carry on the business of a finance company and to provide short/long term loans to State entities. Further to

receive grants, loans, advances or other moneys or deposits or otherwise, from State, Central Government or from other financial institutions by the State entities.

Assets Management Cell has been created in Revenue Department. The fund of ₹ 1000.00 crore will be mobilized through sale of un-utilized Government land.

Resource Mobilization Committee: A Resource Mobilization Committee has already been constituted under the chairmanship of Chief Minister to suggest the ways and means for augmenting the State resources and plugging leakages. Meetings of the said Committee are being convened from time to time and action taken on the decisions are also being reviewed from time to time. In future, the meetings of the said Committee will also be regularly convened.

D. Rationale for policy changes

The New Excise Policy for the financial year 2018-19 is under consideration of the Excise & Taxation Department. The Excise Policy aims at achieving and strengthening the long term objectives of the Department of optimizing revenue while plugging leakages and making the process more transparent. The concerns of all the stakeholders have been attempted to be addressed while formulating the policy.

E. Policy evaluation

As per recommendations of 14th Finance Commission (FC) targets, the outstanding debt as percentage of GSDP is required to be 25 percent from 2015-16 to 2019-20. The 14th FC Commission has assumed the Haryana as Revenue Surplus State and recommended the target of Fiscal Deficit and Net borrowings at 3.25 percent of GSDP from 2015-16 to 2019-20. However, currently being a revenue deficit State, the Ministry of Finance, Government of India has fixed the target of Net borrowings of the State as 3.0 percent of GSDP for 2017-18. For making the amendment in the Haryana FRBM Act, 2005 with new set of 14th FC targets, guidelines have not been finalized by the Government of India. Necessary amendment in the Haryana FRBM Act, 2005 would be made on receipt of the requisite guidelines in this regard from the Government of India.

The Revenue Deficit, as percentage of GSDP, is estimated to be 1.35 percent in RE 2017-18 and about 1.20 percent in BE 2018-19. The Fiscal Deficit, as percentage of GSDP, is estimated to be 2.83 percent in RE 2017-18 and 2.82 percent in BE 2018-19.

Form D-1
[See rule 6]

SELECT FISCAL INDICATORS

| Sr. No | Item | Previous Year 2016-17 (Actual) | Current Year 2017-18 (Revised Estimates) |
|---------------|--|---------------------------------------|---|
| 1. | Gross Fiscal Deficit as percentage of GSDP | 4.82 | 2.83 |
| 2. | Revenue Deficit as percentage of Gross Fiscal Deficit | 60.52 | 47.71 |
| 3. | Revenue Deficit as percentage of GSDP | 2.92 | 1.35 |
| 4. | Revenue Deficit as percentage of TRR | 30.30 | 11.74 |
| 5. | Total Liabilities -GSDP Ratio (%) | 27.36 | 27.58 |
| 6. | Total Liabilities to Total Revenue Receipts (%) | 284.26 | 239.46 |
| 7. | Total Liabilities to State's Own Revenue Receipts (%) | 371.01 | 301.44 |
| 8. | State's Own Revenue Receipts to Revenue Expenditure (%) | 58.80 | 71.09 |
| 9. | Capital Outlay as percentage of Gross Fiscal Deficit | 26.11 | 79.87 |
| 10. | Interest Payment as percentage of Revenue Receipts | 20.08 | 16.96 |
| 11. | Salary expenditure as percentage of Revenue Receipts | 31.38 | 26.16 |
| 12. | Pension expenditure as percentage of Revenue Receipts | 10.78 | 11.99 |
| 13. | Non-developmental expenditure as percentage of aggregate disbursements | 8.33 | 10.75 |
| 14. | Gross Transfers from the Centre as percentage of Aggregate Disbursements | 8.30 | 7.71 |
| 15. | Non-tax Revenue as percentage of TRR | 22.62 | 24.29 |

Form D-2
[See rule 6]

A. Components of State Government Liabilities

(₹ crore)

| Category | Raised during the Fiscal Year | | Repayment/ Redemption during the Fiscal Year | | Outstanding Amount | |
|--|--------------------------------|---------------------------|--|---------------------------|--|-----------------------------------|
| | Previous Year 2016-17 (Actual) | Current Year 2017-18 (RE) | Previous year 2016-17 (Actual) | Current year 2017-18 (RE) | Previous year (Actual) as on 31.3.2017 | Current year (RE) as on 31.3.2018 |
| Market Borrowings | 15800.00 | 18539.55 | 441.01 | 800.00 | 81180.11 | 98919.66 |
| Loans from Centre | 123.26 | 337.80 | 186.32 | 124.45 | 1985.86 | 2199.21 |
| Special Securities issued to the National Small Savings Fund | 0.00 | 0.00 | 947.05 | 954.14 | 12304.23 | 11350.09 |
| Borrowings from Financial Institutions/ Banks | 3596.26 | 4450.41 | 3701.45 | 4260.27 | 3182.53 | 3372.67 |
| Power Bonds | 8650.00 | 0.00 | 0.00 | 0.00 | 25950.00 | 25950.00 |
| Ways and Means Advances/ Over Draft from Reserve Bank of India | 0.00 | 79.48 | 0.00 | 79.48 | 0.00 | 0.00 |
| Floating Debt from RBI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Small Savings, Provident Funds etc. | 3034.08 | 3140.00 | 1919.19 | 2135.00 | 13321.21 | 14326.21 |
| Reserve Funds/ Deposits | 21426.14 | 24412.64 | 19781.96 | 23968.9 | 11221.77 | 11665.51 |
| Other Liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 52629.74 | 51795.40 | 26976.98 | 33157.76 | 149145.71 | 167783.35 |

Form D-2 (Contd.)**[See rule 6]****B. Weighted Average Interest Rates on State Government Liabilities**

| Category | Raised during the Fiscal Year (in percentage) | | Outstanding Amount (End-March) (₹ crore) | |
|--|--|---|--|---|
| | Previous Year 2016-17 (Actual) | Current Year 2017-18 (Revised Estimates) | Previous year 2016-17 (Actual) | Current year 2017-18 (Revised Estimates) |
| Market Borrowings | 7.45 | 7.63 | 81180.11 | 98919.66 |
| Loans from Centre (EAP) | 1.43 | 1.71 | 1985.86 | 2199.21 |
| Special Securities issued to the National Small Savings Fund | -- | -- | 12304.23 | 11350.09 |
| Borrowings from Financial Institutions/ Banks (NABARD/NCRPB) | 5.25 7.00 | 4.75 7.00 | 3182.53 | 3372.67 |
| Power Bonds | 8.13 | -- | 25950.00 | 25950.00 |
| Ways and Means Advances/Over Draft from Reserve Bank of India | -- -- | 6.00 -- | 0.00 | 0.00 |
| Floating Debt from RBI | -- | -- | 0.00 | 0.00 |
| Small Savings, Provident Funds etc. | 8.03 | 7.78 | 13321.21 | 14326.21 |
| Reserve Funds/ Deposits (GRF/CSF) | 8.31 8.31 | 8.31 8.31 | 11221.77 | 11665.51 |
| Other Liabilities | -- | -- | 0.00 | 0.00 |
| Total | -- | -- | 149145.71 | 167783.35 |

Form D-3**[See rule 6]****Consolidated Sinking Fund (CSF)****(₹ crore)**

| Outstanding balance in Consolidated Sinking Fund at the beginning of the previous year as on 01.04.2016 | Additions during the previous year 2016-17 | Withdrawals from Consolidated Sinking Fund during the previous year 2016-17 | Outstanding balance in Consolidated Sinking Fund at the end of the previous year/ beginning of current year as on 31.03.2017 | (4)/ Outstanding Stock of Statutory Liquidity Ratio Borrowings (%) | Additions to Consolidated Sinking Fund during the current year 2017-18 | Withdrawals from Consolidated Sinking Fund during the current year 2017-18 | Outstanding at the end of current year/ beginning of ensuing year as on 31.3.2018 | (8)/ Stock of Statutory Liquidity Ratio Borrowings (%) |
|---|--|---|--|--|--|--|---|--|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| 1516.93 | 124.10 | -- | 1641.03 | -- | -- | -- | 1641.03 | 1.66 |

Form D - 4**[See rule 6]****Guarantees given by the Government****Year-2016-17**

(₹ crore)

| 1 | Category | Maximum Amount Guaranteed during the year | Outstanding at the beginning of the year as on 31.3.16 | Additions during the year 2016-17 | Reductions during the year (other than invoked during the Year) | Invoked during the year 2016-17 | | Outstanding at the end of the year As on 31.3.17 | Guarantee Commission or Fee 2016-17 | |
|----------------------|-------------------------------------|---|--|-----------------------------------|---|---------------------------------|----------------|--|-------------------------------------|--------------|
| | | | | | | Discharged | Not Discharged | | Receivable | Received |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| A- | Statutory Co-operations | 14647.13 | 14522.11 | 125.02 | 8996.92 | 0.00 | 0.00 | 5650.21 | 4.78 | 4.05 |
| B- | Government Companies | 737.02 | 82.61 | 654.41 | 32.20 | 0.00 | 0.00 | 704.82 | 13.19 | 8.79 |
| C- | Cooperative Banks/Societies | 1582.00 | 1482.00 | 100.00 | 535.87 | 0.00 | 0.00 | 1046.13 | 7.38 | 0.00 |
| D- | Municipalities/ Corporations | 945.29 | 789.60 | 155.69 | 102.51 | 0.00 | 0.00 | 842.78 | 5.31 | 1.34 |
| Total A+B+C+D | | 17911.44 | 16876.32 | 1035.12 | 9667.50 | 0.00 | 0.00 | 8243.94 | 30.66 | 14.18 |

Form D-5**[See rule 6]****Guarantee Redemption Fund (GRF)**

(₹ crore)

| Outstanding invoked guarantees at the end of the previous year 2016-17 | Outstanding amount in Guarantee Redemption Fund at the end of the previous year as on 31.3.2017 | Amount of guarantees likely to be invoked during the current year 2017-18 | Addition to Guarantee Redemption Fund during the current year 2017-18 | Withdrawal from the Guarantee Redemption Fund during the current year 2017-18 | Outstanding amount in Guarantee Redemption Fund at the end of the current year as on 31.3.2018 |
|---|--|--|--|--|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| -- | 952.88 | -- | 14.17 | -- | 967.05 |

Form D-7
[see rule 6]
Tax Revenues Raised But Not Realised
(principal taxes)

(As at the end of the reporting year)

| Major Head | Description | Amount under disputes | | | Amount not under disputes | | | Grand Total |
|--------------|---|-----------------------|----------------|-----------------|---------------------------|----------------|-----------------|-----------------|
| | | (₹ crore) | | | (₹ crore) | | | |
| | | Upto 5 years | Over 5 years | Total | Upto 5 Years | Over 5 years | Total | |
| 1 | Taxes on Income and Expenditure | 0.00 | 0.00 | 0.00 | 0.49 | 0.62 | 1.11 | 1.11 |
| | Taxes on Professions, Trades, callings and employment | 0.00 | 0.00 | 0.00 | 0.49 | 0.62 | 1.11 | 1.11 |
| 2 | Taxes on Property and Capital Services | 6.60 | 93.64 | 100.24 | 491.59 | 216.05 | 707.64 | 807.88 |
| | Land Revenue | 6.60 | 93.59 | 100.19 | 360.72 | 147.71 | 508.43 | 608.62 |
| | Stamps and Registration fees | 0.00 | 0.05 | 0.05 | 130.87 | 68.34 | 199.21 | 199.26 |
| 3 | Taxes on Commodities and Services | 3962.53 | 5507.20 | 9469.73 | 5444.05 | 4636.58 | 10080.63 | 19550.36 |
| | Value Added Tax (VAT) | 3160.65 | 2008.06 | 5168.71 | 2884.59 | 2310.13 | 5194.72 | 10363.43 |
| | Central Sales Tax | 777.59 | 3480.91 | 4258.50 | 2450.45 | 2226.13 | 4676.58 | 8935.08 |
| | Sales Tax on Motor Spirit and Lubricants | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | State Excise | 24.29 | 18.23 | 42.52 | 109.01 | 100.32 | 209.33 | 251.85 |
| 4 | Taxes on Vehicles | 0.00 | 0.00 | 0.00 | 164.78 | 79.01 | 243.79 | 243.79 |
| | (i) Road Tax | 0.00 | 0.00 | 0.00 | 2.61 | 2.04 | 4.65 | 4.65 |
| | (ii) Passenger and Goods Tax (PGT) | 0.00 | 0.00 | 0.00 | 162.17 | 76.97 | 239.14 | 239.14 |
| 5 | Other Taxes | 1730.05 | 92.80 | 1822.85 | 7.22 | 6.85 | 14.07 | 1836.92 |
| | (i) Entry Tax | 1688.03 | 92.80 | 1780.83 | 3.51 | 4.83 | 8.34 | 1789.17 |
| | (ii) Luxury Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (iii) Entertainment Tax | 42.02 | 0.00 | 42.02 | 3.71 | 2.02 | 5.73 | 47.75 |
| TOTAL | | 5699.18 | 5693.64 | 11392.82 | 6108.13 | 4939.11 | 11047.24 | 22440.06 |

Note: Reporting year refers to the second year preceding the year for which the annual financial statement and demands for grants are presented.

Form D-9

(See rule-6)

State's Economy and Related Fiscal Strategy

(₹ crore)

| Sr. No. | Particular | Previous Year 2016-17 (Actual) | Current Year 2017-18 (Revised Estimates) |
|-----------|--|--------------------------------------|--|
| A. | Total GSDP | | |
| 1. (a) | at current prices | 545322.52 | 608470.73 |
| (b) | at constant (2011-12) prices | 442200.56 | 477736.26 |
| 2. | GSVA at basic prices* | | |
| (a) | at current prices | 490249.75 | 541003.42 |
| (b) | at constant (2011-12) prices | 393556.54 | 423442.55 |
| 3. | Agriculture (Crops + Livestock) Sector (GSVA) | | |
| (a) | at current prices | 91344.31 | 94607.05 |
| (b) | at constant (2011-12) prices | 67566.19 | 68776.03 |
| 4. | Industry (Manufacturing) Sector (GSVA) | | |
| (a) | at current prices | 98976.54 | 109275.87 |
| (b) | at constant (2011-12) prices | 88094.57 | 95734.37 |
| 5. | Tertiary Sector (GSVA) | | |
| (a) | at current prices | 239228.71 | 270980.68 |
| (b) | at constant (2011-12) prices | 196679.89 | 215245.06 |
| B | Fiscal Strategy | | |
| 1 | Revenue Receipts (2+3) | 52496.82 | 70085.13 |
| 2 | Tax Revenue (2.1+2.2) | 40623.16 | 53061.52 |
| 2.1 | Own Tax Revenue | 34025.71 | 44689.74 |
| 2.2 | State's Share in Central Taxes | 6597.45 | 8371.78 |
| 3 | Non-Tax Revenue (3.1 + 3.2) | 11873.66 | 17023.61 |
| 3.1 | State's Own Non Tax Revenue | 6196.09 | 10984.92 |
| 3.2 | Central Transfers (Grants) | 5677.57 | 6038.69 |
| 4 | Capital Receipts (5+6+7) | 27284.61 | 23600.39 |
| 5 | Recovery of loans | 973.23 | 6321.94 |
| 6 | Misc. Capital Receipts | 26.27 | 38.00 |
| 7 | Borrowing and other liabilities(Net) | 26285.11 | 17240.45 |

| Sr. No. | Particular | Previous Year 2016-17 (Actual) | Current Year 2017-18 (Revised Estimates) |
|-----------|---|--------------------------------------|--|
| 8 | Total Receipts (1+ 4) | 79781.43 | 93685.52 |
| 9 | Revenue Expenditure of which: | 68403.43 | 78311.30 |
| 10 | (a) Interest payments | 10541.91 | 11887.40 |
| | (b) Subsidies | 6608.86 | 7600.00 |
| | (c) Wages and Salaries | 16471.94 | 18331.67 |
| | (d) Pension Payments | 5659.34 | 8400.00 |
| 11 | Capital Expenditure | 11378.00 | 15374.22 |
| 12 | Capital Expenditure Net of Expenditure on food procurement | 11058.27 | 15589.55 |
| 13 | Total Expenditure (9+11) | 79781.43 | 93685.52 |
| 14 | Revenue Deficit (9-1) | 15906.61 | 8226.17 |
| 15 | Fiscal Surplus/Deficit 13-(1+5+6) | 26285.11 | 17240.45 |
| 16 | Primary Deficit (15-10a) | 15743.20 | 5353.05 |

* GSVA estimates for 2017-18 are based on targets/anticipated achievements in case of Agriculture & Allied sector and on previous years' trends in case of remaining sectors. These estimates relate to the period 1st April to 31st March and are Quick Estimates for 2016-17 and Advance Estimates for 2017-18.

Form D-10

(See rule-6)

Number of Employees in Government, Public Sector and Aided Institutions and Related Salaries

| Sr. No. | Item | Previous Year 2016-17 (Actual) | | Current Year 2017-18 (Revised Estimates) | |
|---------|--------------------|-----------------------------------|-----------------------------|---|-----------------------------|
| | | No. of Employees | Related Salary (₹ crore) | No. of Employees | Related Salary (₹ crore) |
| 1. | State Government | 338921 | 15775.55 | 351512 | 18331.67 |
| 2. | Public Sector | 59101 | 3332.93 | 60261 | 3911.00 |
| 3. | Aided Institutions | 11570 | 614.46 | 11827 | 663.05 |
| | Total | 409592 | 19722.94 | 423600 | 22905.72 |

**HALF YEARLY REVIEW OF TRENDS IN RECEIPTS AND EXPENDITURE IN
RELATION TO BUDGET ESTIMATES- 2016-17 AND 2017-18.**

The Haryana Fiscal Responsibility and Budget Management (FRBM) Act, 2005 was enacted on 6th July, 2005. Section 11(1) of the Act, provides as follows:-

“The Minister-in-Charge of the Department of Finance (hereinafter referred to as ‘Minister of Finance’) shall review, half yearly, the trends in receipts and expenditure in relation to the budget estimates and place before the House of the State Legislature, the outcome of such reviews.”

In view of the above provision, Finance Minister, Haryana reviewed the trends in receipts in relation to Budget Estimates 2016-17 and 2017-18 in the meeting held on 08.12.2017. The meeting was attended by the Administrative Secretaries of major revenue oriented Departments. At the outset, Finance Minister welcomed all the participants, thereafter, the action taken on the decisions of the last meeting were reviewed.

The Additional Chief Secretary, Finance apprised the participants about the fiscal targets to be achieved under the FRBM Act as under:-

General

The Haryana Fiscal Responsibility and Budget Management Act was enacted in July, 2005 with an objective to eliminate the revenue deficit and reduce the fiscal deficit within the prescribed limit.

As per recommendations of 14th Finance Commission, necessary amendment in the FRBM Act, 2005 was required to be made. But in this regard Guidelines from the Government of India has not been received. In view of this, amendment in the Act has not been made and all fiscal parameters are as per illustrative targets of 14th Finance Commission.

In the meeting held on 08.12.2017, ACS, Finance informed the prevailing scenario with reference to the receipts and outgoes of the State. The trends in Tax and Non-Tax receipts during the current financial year 2017-18 up to September, 2017 with comparison to corresponding period of 2-016-17 was reviewed as under:-

A) Revenue Receipts

Total Revenue Receipts during 2016-17 were ₹ 52496.82 crore against Revised Estimates of ₹ 60327.09 crore constituting 87.02%. During 1st half of the year, the receipts were ₹ 23117.13 crore i.e. 36.72% against the Budget Estimates 2016-17 of ₹ 62955.53 crore. During 2017-18, against the Budget Estimates of ₹ 68810.88 crore, the receipts during 1st half of the year are at ₹ 29262.12 crore which constitute 42.53%. Thus, during 1st half of 2017-18, the Revenue Receipts are higher by 5.81% (42.53%-36.72%) as compared to the corresponding period of 2016-17.

i. State Tax Revenue

During 2016-17, against the Revised Estimates of ₹ 37841.91 crore, total State tax revenue receipts were ₹ 34025.68 crore constituting 89.92%. During 1st half of the year, the collection was ₹ 16852.48 crore i.e. 41.92% against the Budget Estimates of ₹ 40199.51 crore. During 2017-18, against the Budget Estimates of ₹ 43339.74 crore, the State tax collection in the 1st Half of the year is ₹ 20850.03 crore constituting 48.11%. Thus, the State tax revenue receipts during 1st half of 2017-18 are higher by 6.19% (48.11%-41.92%) as compared to the corresponding period of 2016-17.

ii. State Non-Tax Receipts

During 2016-17, against the Revised Estimates of ₹ 7337.83 crore, the non-tax receipt was ₹ 6196.09 crore constituting 84.44%. During 1st half of 2016-17, the achievement was ₹ 1834.63 crore i.e. 22.08% against the Budget Estimates of ₹ 8308.45 crore. In 2017-18, the achievement during 1st half of the year is ₹ 3627.73 crore i.e. 35.98% against the Budget Estimates of ₹ 10081.72 crore, which is higher by 13.90% (35.98%-22.08%) compared to the corresponding period of 2016-17.

iii. Share in Central Taxes

During 2016-17, against the Revised Estimates of ₹ 7245.72 crore, the share in Central taxes was ₹ 6597.47 crore constituting 91.05%. During 1st half of the year, the achievement was ₹ 2652.42 crore i.e. 42.86% against the Budget

Estimates of ₹ 6188.80 crore. During 2017-18, the achievement in 1st half of the year is ₹ 3136.45 crore i.e. 37.46% against the Budget Estimates of ₹ 8371.78 crore, which is lower by 5.40% (37.46%-42.86%) compared to the corresponding period of 2016-17.

iv. Grant-in-Aid from Centre

During 2016-17, against the Revised Estimates of ₹ 7901.63 crore, the Grant-in-aid from Centre during the year was received ₹ 5677.58 crore constituting 71.85%. In 1st half of the year, the achievement was ₹ 1777.60 crore i.e. 21.52% against the Budget Estimates of ₹ 8258.77 crore. During 2017-18, the achievement in 1st half of the year is ₹ 1647.91 crore i.e. 23.48% against the Budget Estimates of ₹ 7017.64 crore, which is higher by 1.96% (23.48%-21.52%) as compared to the corresponding period of 2016-17.

For increasing the revenue receipts of the State, the following decisions were taken in the meeting:-

1. The matter regarding possibility to impose one per cent stamp duty on each and every transaction and on agreement to sell was discussed in the meeting and the FCR informed that the matter is under active consideration of the Department.
2. Hon'ble Finance Minister expressed his concern that no substantial progress has been made regarding conversion of IT land in SEZ to commercial use against the norms, which has resulted in substantial revenue loss to State and also make IT Industry unviable in the State. He desired that necessary action may be taken expeditiously.
3. FCR informed that Assets Management Cell has been created and progress report in the matter will be submitted within 15 days. Hon'ble Finance Minister asked FCR to make Asset Management Cell fully functional on priority basis so that mapping of all assets of State both within and outside the State should be completed so that Asset Register may be prepared within this fiscal by 31st March, 2018.
4. Hon'ble Finance Minister observed that in case of exemption in stamp duty, matters are settled at the level of Registering Authority without approval of the Higher Authority. He advised the FCR to direct the officers concerned to obtain the approval of higher Authority in exemption cases of stamp duty.

5. The Hon'ble Finance Minister advised the Excise & Taxation Department to work out on another "One Time Settlement" Scheme again to mop- up all the arrears in one go.
6. ACS E&T suggested that Government of India may be requested to issue notification with regard to 'IGST' mentioning the list of documents need to be carry by transport vehicle. It will be helpful for enforcement authority to check. Hon'ble Finance Minister advised the Department to take-up this issue in the next GST Council meeting on behalf of State Government.
7. With regard to balance amount of CST compensation of ₹ 213.23 crore, Hon'ble FM advised the Department that a D.O. letter from Hon'ble CM may be sent to Union Finance Minister for release of pending compensation amount of CST in current year itself.
8. The house appreciated the efforts made by the Excise and Taxation Department for collecting the maximum revenue receipts against the budget targets.
9. However, Hon'ble FM impressed upon ACS Excise & Taxation to make effort to achieve the BE figure of ₹ 6100 crore under State Excise. Hon'ble Finance Minister has suggested to relook and rework under "Apna Bill Apna Vikas" Scheme in light of GST regime under which billing of all transactions is mandatory / essential features to get the benefit under it.
10. Hon'ble Finance Minister advised the Transport Department to initiate steps for recovering old arrears on the line of "One Time Settlement" Scheme of Excise & Taxation Department .
11. The ACS, Transport informed that rationalization of routes are being done. With regard to implementation of E-Ticketing system, he informed that work is in progress and would be completed by June 2018 without linking with Aadhar card. He further informed that the work of adhesive Reflector tape on vehicles and establishment of Integrated Check Posts at entry points/Installation of computerised electronic weighing machines at eight entry points in collaboration with PWD (B&R) are still under consideration. It was further informed that the proposal for Kilometer scheme has been submitted on file to the Government for approval.
12. Hon'ble Finance Minister directed Town & Country Planning Department to expedite the process to get refund of Income tax already paid by HUDA, as HUDA has already adopted the new accounting code.

13. ACS, Finance asked the representative of Urban Local Bodies Department to submit Utilisation certificate in respect of Basic grant and compliance of conditions for availing Performance Grant immediately. With regard to outstanding Electricity bills of ₹ 336.14 crore (₹ 256.65 crore Principal + ₹ 79.49 crore Surcharge), of the MCs, Hon'ble Finance Minister has taken a serious view and directed to sort out the matter on priority basis in consultation with DISCOMs.

14. The issue of huge pending house tax, fire tax of MCs was also discussed. ACS, Finance advised the Department to take necessary action for recovery of the same and make the payment of outstanding due of the MCs at the earliest.

15. The issue for revision of water rates was discussed in the meeting and the Hon'ble Finance Minister advised the Department to bring up the proposal in this regard in the next Cabinet meeting.

16. Director, Mines & Geology Department informed that receipts would be on lower side due to Dadum loss. With regard to e-rawana he informed that the scheme will be made operational by March 2018. Further, he informed that the draft "Haryana District Mineral Foundation Rules 2016" has been approved by the Cabinet which is now under consideration of LR, after that it will be notified.

17. Hon'ble Finance Minister advised the Mines & Geology Department to work out the possibility for implementing One Time Settlement Scheme for collection of the past arrears. The Department was further advised to retained the targets of receipts.

18. The representatives of all the Departments were directed to achieve their targets of receipts.

The trend of expenditure during current Financial Year 2017-18 with comparison to corresponding period 2016-17 was also reviewed from time to time. The trends of Revenue and Capital expenditure during the current financial year 2017-18 upto September, 2017 with comparison to corresponding period 2016-17 is as under:-

B) Expenditure

The total expenditure during 2016-17 was ₹ 79781.43 crore constituting 94.83% of the Revised Estimates of ₹ 84132.14 crore. During 1st half of the year, the expenditure was ₹ 31839.97 crore i.e. 35.86% of the Budget Estimates of

₹ 88781.96 crore. During 2017-18, against the Budget Estimates of ₹ 96048.91 crore, the expenditure during 1st half of the year is at ₹ 34936.00 crore which constitute 36.37%. Thus, during 1st half of 2017-18, the total expenditure is higher by 0.51% (36.37%-35.86%) as compared to the corresponding period of 2016-17.

Revenue Expenditure

During 2016-17, against the Revised Estimates of ₹ 72548.76 crore, total expenditure was ₹ 68403.43 crore constituting 94.29%. During the 1st half of the year, the expenditure was ₹ 28030.26 crore i.e. 37.26% of the Budget Estimates of ₹ 75235.88 crore. During 2017-18, against the Budget Estimates of ₹ 79935.84 crore, the total expenditure during 1st half of the year is ₹ 30642.81 crore i.e. 38.33%. Thus, in ratio to the Budget Estimates, the expenditure in 1st half of the year of 2017-18 is higher by 1.07% (38.33%-37.26%) as compared to the corresponding period of 2016-17.

Capital Expenditure:

During 2016-17, against the Revised Estimates of ₹ 11583.38 crore, the Capital expenditure was ₹ 11378.00 crore constituting 98.23%. During the 1st half of the year, the expenditure was ₹ 3809.71 crore i.e. 28.12% of the Budget Estimates of ₹ 13546.08 crore. During 2017-18, against the Budget Estimates of ₹ 16113.07 crore, expenditure in 1st half of the year is ₹ 4293.19 crore i.e. 26.24%, which is lower by 1.48% (26.64%-28.12%) as compared to the corresponding period of 2016-17.

The representatives of the Departments were directed to curtail the wasteful expenditure, increase the capital expenditure.

It was hoped that all the Departments will make their best efforts to enable the State in containing the Revenue and Fiscal Deficits to the desired levels required under the FRBM Act, 2005.

A comparative table of corresponding receipts and expenditure of 1st half and 2nd half of 2016-17 and 1st half of 2017-18 against the Revised Estimates/Budget Estimates of concerned year is annexed at Annexure-1.

Finance Department Haryana

Half Yearly Review of Trends in Receipts and Expenditure - 2016-17 and 2017-18

(₹ in crore)

| Sr. No. | Item | 2016-17 | | | | | | | | 2017-18 | | |
|----------|-------------------------|----------------------------------|-----------------------------------|----------------------|-------------------|--|-------------------|---|-------------------|----------------------------------|---|--------------------|
| | | Full Year | | | | First Half Year | | Second Half Year | | First Half Year | | |
| | | 2016-17 (Budget Estimates) | 2016-17 (Revised Estimates) | 2016-17 (Actuals) | %age to Col. 4 | 1.4.2016 to 30.09.2016 (Actuals) | %age to Col. 3 | 01.10.2016 to 31.03.2017 (Actuals) | %age to Col. 3 | 2017-18 (Budget Estimates) | 1.04.2017 to 30.09.2017 (Actuals) | %age to Col. 11 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| A | Revenue Receipts | 62955.53 | 60327.09 | 52496.82 | 87.02 | 23117.13 | 36.72 | 29379.69 | 46.67 | 68810.88 | 29262.12 | 42.53 |
| 1 | State Tax Revenue | 40199.51 | 37841.91 | 34025.68 | 89.92 | 16852.48 | 41.92 | 17173.20 | 42.72 | 43339.74 | 20850.03 | 48.11 |
| 2 | State Non-Tax Revenue | 8308.45 | 7337.83 | 6196.09 | 84.44 | 1834.63 | 22.08 | 4361.46 | 52.49 | 10081.72 | 3627.73 | 35.98 |
| 3 | Share in Central Taxes | 6188.80 | 7245.72 | 6597.47 | 91.05 | 2652.42 | 42.86 | 3945.05 | 63.74 | 8371.78 | 3136.45 | 37.46 |
| 4 | Grants-in-Aid | 8258.77 | 7901.63 | 5677.58 | 71.85 | 1777.60 | 21.52 | 3899.98 | 47.22 | 7017.64 | 1647.91 | 23.48 |
| B | Expenditure | 88781.96 | 84132.14 | 79781.43 | 94.83 | 31839.97 | 35.86 | 47941.46 | 54.00 | 96048.91 | 34936.00 | 36.37 |
| 1 | Revenue Expenditure | 75235.88 | 72548.76 | 68403.43 | 94.29 | 28030.26 | 37.26 | 40373.17 | 53.66 | 79935.84 | 30642.81 | 38.33 |
| 2 | Capital Expenditure | 13546.08 | 11583.38 | 11378.00 | 98.23 | 3809.71 | 28.12 | 7568.29 | 55.87 | 16113.07 | 4293.19 | 26.64 |