



GOVERNMENT OF HARYANA

हरियाणा सरकार

BUDGET 2021-22

हरियाणा राजकोषीय उत्तरदायित्व तथा
बजट प्रबन्धन अधिनियम, 2005 के अधीन
यथा-अपेक्षित राजकोषीय नीति का विवरण
तथा प्रकटीकरण तथा बजट अनुमान 2019-20
तथा 2020-21 के सम्बन्ध में प्राप्तियों तथा
खर्च के रुख का अर्धवार्षिक पुनर्विलोकन

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**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 EXPENDITURE IN RELATION TO
BUDGET ESTIMATES 2019-20 & 2020-21**

हरियाणा सरकार

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बजट प्रबन्धन अधिनियम, 2005 के अधीन
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तथा

बजट अनुमान 2019-20 तथा
2020-21 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
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वित्त विभाग

Finance Department

2021-22

Form F-1

MACRO-ECONOMIC FRAMEWORK STATEMENT

1. Overview of the Economy: During 2019-20, the Gross State Domestic Product (GSDP) of Haryana at constant (2011-12) prices was ₹ 559705.00 crores recording a growth of 8.2 percent while at current prices it was ₹ 780612.35 crores registering a growth of 10.7 percent. During 2020-21, as per Advance Estimates, the GSDP at constant prices is likely to reach the level of ₹ 528069.75 crores, recording a negative growth at 5.7 percent and ₹ 764872.41 crores at current prices, recording a negative growth of 2.0 percent.

2. Gross State Value Added Growth: As per Quick Estimates, the Gross State Value Added (GSVA) of the State at current prices for 2019-20, was ₹ 674747.26 crores. The GSVA from agriculture sector (including crop and livestock production) increased at 9.1 percent, the manufacturing sector at 7.0 percent and the services sector at 13.1 percent with the overall growth of GSVA of 10.4 percent at current prices in 2019-20. During 2020-21, the GSVA of the State at current prices has been estimated at ₹ 661266.67 crores. The GSVA from agriculture sector is estimated to grow at 8.7 percent. The manufacturing and service sectors are likely to record the negative growth of 8.0 percent and 2.3 percent within the overall negative growth of GSVA of 2.0 percent at current prices in 2020-21.

2.1 At constant prices, the share of primary sector in the GSVA was 17.4 percent in 2019-20. During this period, the share of secondary sector was 31.5 percent while the share of tertiary sector was 51.1 percent. In 2020-21, the contribution of primary sector to GSVA is estimated to be ₹ 89199.97 crores (19.1 percent), the contribution of secondary sector is estimated to be ₹ 140216.89 crores (30.0 percent). The tertiary sector's contribution is estimated to be ₹ 237716.64 crores (50.9 percent). As per these estimates, primary sector at constant prices has registered a growth of 4.4 percent while the secondary and tertiary sectors registered negative growth of 9.7 percent and 5.7 percent in 2020-21 respectively.

2.2 The per capita income in 2019-20 at constant prices (2011-12) was ₹ 1,76,199 and ₹ 2,47,628 at current prices. During 2020-21, as per Advance Estimates, the per capita income is likely to decrease to ₹ 1,63,922 at constant (2011-12) prices and ₹ 2,39,535 at current prices.

3. Overview of State Government Finances: As per recommendations of 14th Finance Commission, the outstanding debt as percentage of GSDP was required to be 25 percent during 2015-16 to 2019-20. The 14th Finance Commission had assumed Haryana as revenue surplus State and recommended the target of Fiscal Deficit and Net borrowings at 3.25 percent of GSDP during its award period 2015-16 to 2019-20. However, being a revenue deficit State, the Ministry of Finance, Government of India had fixed the target of Net borrowings of the State as 3.0 percent of GSDP for 2019-20.

The unprecedented COVID-19 Pandemic has had a serious negative impact on the resources of both Central and State Governments. States require additional resources to fight the pandemic and to maintain the standards of service delivery to the public. To strengthen the resources in the hand of the State Governments, the Ministry of Finance, Government of India has allowed the additional 2% borrowing over and above the 3% of GSDP (i.e. 5% of GSDP) during 2020-21 subject to the condition of amendment in the State FRBM Act and implementation of Specific State Level Reforms. Accordingly, the State Government has made the amendment in the Haryana FRBM, Act 2005 vide notification dated 22 September, 2020.

As per recommendations of 15th Finance Commission, the guidelines regarding fiscal parameters for its award period for amendment in the FRBM Act, 2005 has not been received from the Ministry of Finance, Government of India so far.

3.1. The Revenue Deficit has been assessed at ₹ 20856.25 crores in Revised Estimates of 2020-21 which is 2.43 percent of the GSDP. In Budget Estimates 2021-22, it is projected at ₹ 29193.95 crores in absolute terms and 3.29 percent of the GSDP. The Fiscal Deficit as percentage of GSDP is projected in RE 2020-21 at 2.90 percent and is projected at 3.83 percent in BE 2021-22. In absolute terms, it is

estimated at ₹ 24912.63 crores in RE 2020-21 and likely to be ₹ 34003.86 crores in BE 2021-22.

3.2. The Total Revenue Receipts (TRR) were ₹ 67858.13 crores in 2019-20 and ₹ 76135.24 crores in RE 2020-21, showing an increase 12.2 percent. In BE 2021-22, TRR have been assessed at ₹ 87733.22 crores. Total Revenue expenditure in 2019-20 was ₹ 84848.21 crores which has increased by 14.3 percent to ₹ 96991.49 crores in RE 2020-21. In BE 2021-22, it has been assessed at ₹ 116927.17 crores.

3.3. The Scheme of Consolidated Sinking Fund (CSF) was notified on 31st July, 2003 by the State Government. This Fund is being maintained by the Reserve Bank of India. Under the CSF Scheme one percent contribution of the outstanding balance of market borrowing was required to be deposited in the Fund. The objective of this Fund is to utilize it as an Amortization Fund for redemption of market loans of the Government. As per revised guidelines received from the Reserve Bank of India, State Government has revised the CSF Scheme vide notification dated 18 June, 2020. As per revised scheme, the Government may contribute to the Fund on a modest scale of at least 0.5 percent of the outstanding liabilities as at the end of the previous year beginning with the financial year 2020-21. The Government shall make efforts to raise the minimum contribution every year and there is no ceiling on such contribution to the Fund in terms of number of times of making contribution in a year. As per Finance Accounts, total funds of ₹ 2081.93 crore were invested in the Consolidated Sinking Fund of the State as on 31st March, 2020.

Similarly, the Scheme for the Guarantee Redemption Fund (GRF) was notified on 31st July, 2003 by the State Government. The actual receipts of the Guarantee Fees of the previous year are being invested in the Fund in each financial year. 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 Public Sector Undertakings or other bodies and invoked by the beneficiaries. As per revised guidelines received from the Reserve Bank of India, the State Government has revised the Guarantee Redemption Fund

scheme vide notification dated 18 June, 2020. As per revised GRF scheme, the Fund shall be set up by the Government with an initial contribution of minimum one per cent of outstanding guarantees at the end of the previous year and thereafter minimum 0.5 per cent every year to achieve a minimum level of 3 per cent in next five years. The Fund shall be gradually increased to a desirable level of 5 per cent. If guarantees have been invoked or are likely to be invoked, additional funds (over and above 5%) shall be maintained. It is open to the Government to increase the contribution to the Fund (beyond 0.5 per cent annual) at its discretion and also based on its assessment of likely invocation of guarantees. The balance in the Fund shall be increased with contributions made annually or at lesser intervals. As per Finance Accounts, total Funds of ₹ 1223.81 crore were invested in the Guarantee Redemption Fund of the State as on 31st March, 2020.

4. Prospects: The Revenue Deficit as percentage of GSDP is estimated to be about 3.29 percent in Budget Estimates 2021-22. The Fiscal Deficit, as percentage of GSDP is projected at 3.83 percent in BE 2021-22 and is within the prescribed limit of 4 percent of GSDP prescribed by the 15th Finance Commission. Similarly, in BE 2021-22, the outstanding debt, as a percentage of GSDP, estimated at 25.92 percent is also within the stipulated limit of 32.60 percent recommended by the 15th 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.	Particulars	Absolute Value (₹ crores)		Percentage Changes over previous year	
		April-March		April-March	
		Previous Year 2019-20	Current Year 2020-21	Previous Year 2019-20	Current Year 2020-21
Real Sector					
1	Total GDP				
(a)	at current prices	780612.35	764872.41	10.7	-2.0
(b)	at constant (2011-12) prices	559705.00	528069.75	8.2	-5.7
2.	Total GSVA at basic prices*				
(a)	at current prices	674747.26	661266.67	10.4	-2.0
(b)	at constant (2011-12) prices	492747.35	467133.49	8.0	-5.2
3.	Agriculture (Crops + Livestock) Production (GSVA)				
(a)	at current prices	122027.03	132640.36	9.1	8.7
(b)	at constant (2011-12) prices	79631.53	83412.26	5.9	4.7
4.	Industrial (Manufacturing) Production (GSVA)				
(a)	at current prices	126782.57	116639.97	7.0	-8.0
(b)	at constant (2011-12) prices	110250.74	99887.17	6.8	-9.4
5.	Tertiary Sector Production (GSVA)				
(a)	at current prices	347059.07	339090.34	13.1	-2.3
(b)	at constant (2011-12) prices	252002.40	237716.64	9.0	-5.7

(Contd.)

Sr. No.	Particulars	Absolute Value (₹ crores)		Percentage Changes over previous year	
		April-March		April-March	
		Previous Year 2019-20 (Actual)	Current Year 2020-21 (RE)	Previous Year 2019-20 (Actual)	Current Year 2020-21 (RE)
Government Finances **					
1	Revenue Receipts (2+3)	67858.13	76135.24	2.99	12.20
2	Tax Revenue (2.1+2.2)	49936.48	52479.87	-1.77	5.09
2.1	Own Tax Revenue	42824.95	46529.00	0.57	8.65
2.2	State's Share in Central Taxes	7111.53	5950.87	-13.85	-16.32
3	Non-Tax Revenue (3.1 +3.2)	17921.65	23655.37	19.09	31.99
3.1	State's Own Non Tax Revenue	7399.74	7762.68	-7.22	4.90
3.2	Central Transfers	10521.91	15892.69	48.75	51.04
4	Capital Receipts	35965.26	27021.61	31.58	-24.87
5	Recovery of loans	5392.64	508.98	0.39	-90.56
6	Other Receipts	54.01	1600.00	10.20	2862.41
7	Borrowings and other liabilities (Net)	23989.76***	24912.63	9.48	3.85
8	Total Receipts	103823.39	103156.85	11.38	-0.64
9	Revenue Expenditure of which:	84848.21	96991.49	9.97	14.31
10	(a) Interest payments	15588.01	17642.64	15.03	13.18
	(b) Subsidies	8105.17	8161.45	-5.19	0.69
	(c) Wages and Salaries	21222.10	23089.16	10.20	8.80
	(d) Pension Payments	8832.94	9900.01	8.51	12.08
11	Capital Expenditure	18975.18	6165.36	18.14	-67.51
12	Total Expenditure (9+11)	103823.39	103156.85	11.38	-0.64

Sr. No.	Particulars	Absolute Value (₹ crores)		Percentage Changes over previous year	
		April-March		April-March	
		Previous Year 2019-20 (Actual)	Current Year 2020-21 (RE)	Previous Year 2019-20 (Actual)	Current Year 2020-21 (RE)
13	Revenue Deficit (9-1)	16990.08	20856.25	50.75	22.76
14	Fiscal Deficit	23989.76***	24912.63	9.48	3.85
15	Primary Surplus/Deficit	14930.60	7269.99	78.59	-51.31
16	Average amount of Ways and Means Advances from Reserve Bank of India	1261.75	4976.60	149.84	294.42
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 2020-21 are based on targets/anticipated achievements in case of Agriculture & Allied sectors and on previous years' trends in case of remaining sectors. These estimates are related to the period 1st April to 31st March and are Quick Estimates for 2019-20 and Advance Estimates for 2020-21.

** The figures for 2020-21 have been projected on the basis of monthly accounts received from Principal Accountant General (A&E), Haryana and Online Budget Allocation Monitoring Analysis System (OBAMAS). The interest payments on GPF/Reserve Funds and that of Departments such as Irrigation, Transport, Food & Supplies etc. would be reflected in March, s2021.

*** Fiscal Deficit in 2019-20 is net of Food Recovery and UDAY Interest. GSDP figures as per Finance Accounts of PAG (A&E), Haryana.

Form F-2

MEDIUM TERM FISCAL POLICY STATEMENT

A. Fiscal Indicators - Rolling Targets

	Previous Year (Y-2) Actual (2019-20)	Current Year (Y-1) Budget Estimates (2020-21)	Current Year (Y-1) Revised Estimates (2020-21)	Ensuing Year (Y) Budget Estimates (2021-22)	Targets for next Two Years	
					Y + 1 (2022-23)	Y + 2 (2023-24)
1. Revenue Deficit as percentage of Total Revenue Receipts (TRR)	25.04	17.09	27.39	33.28	-	-
2. Fiscal Deficit as percentage of GSDP	2.88	2.73	2.90	3.83	-	-
3. Total outstanding Debt liabilities as percentage of GSDP	22.30	15.10	23.27	25.92	-	-
4. [Any additional target(s)]	-	-	-	-	-	-

Note: The award period of 15th Finance Commission is 2021-22 to 2025-26. The rolling targets of FY 2022-23 and 2023-24 will be considered as per 15th Finance Commission recommendations and on receipt of guidelines from Ministry of Finance, Government of India.

B. Assumptions underlying the fiscal indicators

1. Revenue Receipts

a) Tax Revenue

The tax revenue of the State budgeted at ₹ 52095.65 crores in BE 2020-21 is estimated to decrease to ₹ 46529.00 crores in RE 2020-21. In BE 2021-22, the tax revenue is estimated to be ₹ 52887.50 crores, projecting an increase of 1.52 percent over BE 2020-21.

b) Non Tax Revenue

The non-tax revenue of the State was budgeted at ₹ 15428.22 crores in BE 2020-21, which is likely to decrease to ₹ 7762.68 crores in RE 2020-21. The estimates for BE 2021-22 are projected at ₹ 10850.86 crores indicating decrease of 29.67 percent over BE 2020-21.

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, funds are being allocated regularly as per Central Finance Commission and State Finance Commission recommendations.

As per 5th State Finance Commission recommendations, a provision of ₹ 3255.00 crores (₹ 1755.00 crores for PRIs and ₹ 1500.00 crores for ULBs) has been made in BE 2021-22 for Local Bodies. Apart from this, budget provision of ₹ 150.00 crores has been made for transfer of Stamp Duty to Urban Local Bodies in BE 2021-22.

As per recommendations of 15th Finance Commission, a budgetary provision of ₹ 1701.00 crores for Local Bodies (₹ 1040.00 crores for PRIs and ₹ 661.00 crores for ULBs) has been made in BE 2021-22.

d) Share of Own Tax Revenue to Total Tax Revenue

As per RE 2020-21, total tax revenue including share of Central taxes has been estimated at ₹ 52479.87 crores, of which State's own tax revenue is ₹ 46529.00 crores, constituting 88.66 percent share in total taxes. Similarly, in BE 2021-22, the total tax revenue is estimated at ₹ 60162.10 crores, which includes State's own tax revenue of ₹ 52887.50 crores, constituting 87.91 percent share in total taxes.

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

As per RE 2020-21, total non-tax receipts including central grants are at ₹ 23655.37 crores, of which State's own non-tax revenue is ₹ 7762.68 crores, which constituted 32.82 percent of total non-tax revenue. During 2021-22, the total non tax revenue is estimated at ₹ 27571.12 crores including ₹ 10850.86 crores as State's own non tax revenue, thereby constituting 39.35 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 2020-21, provision for loans and advances from Centre was made at ₹ 735.00 crores (EAP & NCDC) which has been revised to ₹ 5829.00 crores in RE 2020-21. During 2021-22, a budget provision of ₹ 735.00 crores 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 2020-21. Similarly, no budget provision has also been made in BE 2021-22.

(c) Recovery of loans and advances

A provision of ₹ 356.23 crores only was made in BE 2020-21 as recovery of loans & advances towards the Capital account due to completion of recovery of loans under UDAY. In RE 2020-21, a provision of ₹ 508.98 crores has been made. In BE 2021-22, provision of ₹ 747.18 crores 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. To provide financial assistance to Private Sugar Mills for making the payment to the Cane Growers, budget provision of ₹ 0.01 crores in RE 2020-21 has been made in the scheme namely "Financial Assistance to Private Sugar Mills for making the payment to the Cane growers in Haryana". In BE 2021-22, provision of ₹ 0.01 crore has been made under this Scheme. Further, for making the payment of arrears to cane growers under the scheme namely "One Time Settlement of Loans to all Cooperative Sugar Mills, Kaithal, Meham, Panipat, Rohtak, Sonipat, Jind, Palwal, Gohana, Shahbad & Karnal", a provision of ₹ 350.00 crores has been made in RE 2020-21. In BE 2021-22, provision of ₹ 350.00 crores under this scheme has also been made for the said purpose.

(d) Borrowings from Financial Institutions

A provision of ₹ 1663.50 crores was made as Negotiated Loans (NL) in BE 2020-21 which include ₹ 1500.00 crores from NABARD and ₹ 163.50 crores from NCR Planning Board (NCRPB). In RE 2020-21, Negotiated Loans have been revised downwards to ₹ 745.00 crores (₹ 650.00 crores from NABARD and ₹ 95.00 crores from NCRPB) resulting in decrease of ₹ 918.50 crores. In BE 2021-22, keeping in view the likely utilization of Negotiated Loans, a provision of ₹ 1500.00 crores as NABARD loan and ₹ 164.00 crores as loan from NCRPB, with a total provision of ₹ 1664.00 crores has been made.

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

A provision of ₹ 1304.00 crores was made in BE 2020-21 as net receipts from Provident Fund etc. As per receipt trends, the amount has been revised to ₹ 1517.10 crores in RE 2020-21 and a provision of ₹ 1544.00 crores has been made in BE 2021-22.

(f) Outstanding liabilities- Internal Debt and other liabilities

As per RE 2020-21, the State debt liabilities are estimated at ₹ 199823.23 crores, which would go up to ₹ 229976.04 crores in BE 2021-22.

3. Total Expenditure- Policy Stance**(a) Revenue Account****(i) Interest Payments**

As per BE 2021-22, a total provision of ₹ 17649.57 crores without borrowings under UDAY and ₹ 19776.42 crores with borrowings under UDAY has been made for interest payments. This interest amount includes a sum of ₹ 13892.89 crores on market borrowings, ₹ 64.45 crores on central loans, ₹ 805.39 crores on NSSF loans, ₹ 198.72 crores on negotiated loans, ₹ 1327.57 crores on GPF, ₹ 900.00 crores on SBI Loans, ₹ 2126.85 crores for DISCOMs and ₹ 460.55 crores on others.

(ii) Major Subsidies

A total provision of ₹ 5615.33 crores has been made as Rural Electrification Subsidy and Domestic Consumer Subsidy under Major Head 2801- Power in Revised Estimates 2020-21. In BE 2021-22, a provision of ₹ 6060.00 crores has been made in Rural Electrification Subsidy and Domestic Consumer Subsidy.

(iii) Salaries

A provision of ₹ 22448.04 crores has been made for salaries in RE 2020-21, which constitutes 29.48 percent of Total Revenue Receipts (TRR). The provision for salaries has been kept at ₹ 26478.74 crores in BE 2021-22, constituting 30.18 percent of Total Revenue Receipts.

(iv) Pensions

A provision of ₹ 9900.01 crores has been made in RE 2020-21, constituting 12.21 percent of TRR. A provision of ₹ 9200.00 crores has been made towards payment of pensions in BE 2021-22 constituting 10.48 percent of TRR.

Capital Account**(i) Loans & Advances**

In RE 2020-21, a provision of ₹ 1099.96 crores has been made as loans from various sources and ₹ 1239.43 crores in 2021-22 BE.

(ii) Capital Expenditure

During 2019-20, the capital expenditure (net of expenditure on food procurement) was ₹ 14572.87 crores. As per RE 2020-21, it is ₹ 9018.47 crores. In 2021-22 BE, it is projected at ₹ 12223.81 crores.

4. GSDP Growth

During 2019-20, the GSDP at current prices has been estimated at ₹ 780612.35 crores with a growth of 10.7 per cent over the previous year. As per advance estimates of 2020-21, the GSDP at current prices is expected to decrease to ₹ 764872.41 crores with negative growth of 2.0 percent.

C. Assessment of Sustainability

Net balance on year's account (gross budget) is estimated at ₹ 634.97 crores in RE 2020-21 and ₹ 465.01 crores in BE 2021-22. Total Tax-GSDP ratio, which was 5.15 percent in 2019-20, is estimated at 5.42 percent in RE 2020-21 and 5.96 percent in BE 2021-22. The own non-tax-GSDP ratio which was 0.89 percent in 2019-20, is expected to be 0.90 percent in RE 2020-21 and 1.22 percent in BE 2021-22. The ratio of share in central taxes to GSDP which was 0.86 percent in 2019-20 and 0.69 percent in RE 2020-21, has been estimated at 0.82 percent in BE 2021-22.

The grant-in-aid which was projected at ₹ 13955.45 crores in BE 2020-21 is expected to be ₹ 15892.69 crores at RE 2020-21 and is projected to increase to ₹ 16720.26 crores in BE 2021-22.

The revenue expenditure that has been provided at ₹ 105338.09 crores in BE 2020-21, is likely to be ₹ 96991.49 crores in RE 2020-21. During 2021-22, the revenue expenditure is estimated at ₹ 116927.17 crores, resulting in revenue deficit of ₹ 29193.95 crores.

Expenditure on salaries and pensions, which was 43.93 percent of TRR in 2019-20, has decreased to 42.49 percent in RE 2020-21 and is likely to be 40.67 percent in BE 2021-22. Similarly, the ratio of interest payment to TRR, which was 22.97 percent in 2019-20 has increased to 23.17 percent in RE 2020-21 and is expected to decrease to 22.54 percent in BE 2021-22 is due to estimation of less borrowings by the State.

The debt liabilities of the State stood at ₹ 159513.07 crores without borrowings under UDAY and ₹ 185463.07 crores with borrowings under UDAY during 2019-20. It is expected to be ₹ 173873.23 crores without borrowings under UDAY and ₹ 199823.23 crores with borrowings under UDAY by the end of 2020-21. In 2021-22, it is estimated at ₹ 204026.04 crores without borrowings under UDAY and ₹ 229976.04 crores with borrowings under UDAY. The ratio of State Debt to GSDP which was at 19.18 percent without borrowings under UDAY and 22.30 percent with borrowings under UDAY in 2019-20 has increased to 20.25 percent without borrowings under UDAY and increased to 23.27 percent with borrowings under UDAY in RE 2020-21. It has been estimated at 23.00 percent without borrowings under UDAY and 25.92 percent with borrowings under UDAY by the end of 2021-22.

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

During 2019-20, the GSDP of Haryana has recorded a growth of 8.2 percent at constant (2011-12) prices and 10.7 percent at current prices. During 2020-21 as per Advance Estimates, the growth of GSDP is estimated at (-) 5.7 percent at constant (2011-12) prices and (-) 2.02 percent at current prices.

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

In step with the Central Government, the Haryana Government has also implemented the Goods and Service Tax (GST) in the State w.e.f. 01.07.2017. The taxation policy is being revised from time to time by the State Government.

(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 sectors, the outlay for health and education has been increased over the years. The non-essential revenue expenditure is being contained.

To ensure efficient and prudent utilization of resources, a new scheme- "Performance Linked Outlay (PLO)" was introduced by the State Government during 2019-20. The implementation of the PLO scheme will improve the financial management of the State by encouraging fiscal prudence. It will incentivize Departments to target the resources for productive utilization. Further, it would be instrumental in deterring the parking of funds and rushed withdrawals towards the fag end of the year.

In order to streamline the productive expenditure and curb the parking of funds, the State has also introduced a system of releasing Grants-in-Aid online where the departments have been mandated to submit details of funds utilized, and funds unspent alongwith information pertaining to bank accounts in which those funds have been parked and interest accrued thereof, through Grant-in-Aid

(GIA) Portal. All the Departments have also been mandated to reduce the number of accounts being operated by them to one account and not to open new bank accounts without the express consent of the Finance Department.

(3) Consolidated Sinking Fund

The Consolidated Sinking Fund was set-up in 2002-03, which is being maintained with the Reserve Bank of India. A sum equal to 1 percent of the outstanding market borrowings of the State as on 31st March of preceding year was required to be invested in the Fund every year. As per revised guidelines received from RBI, the CSF scheme has been amended by the State Government vide notification dated 08 June, 2020. Total funds of ₹ 2081.93 crores are invested in the Fund as on 31.03.2020.

Due to COVID-19 Pandemic, the Reserve Bank of India has relaxed the CSF guidelines and allowed the States to withdraw 75% amount from the Consolidated Sinking Fund of the outstanding balance as on 31.03.2020 to meet out the redemption obligations during 2020-21. Accordingly, an amount of ₹ 1516.29 crore have been received on account of disinvestment proceeds of CSF Securities upto 8th February 2021.

(4) Levy of User charges

Relevant 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 is functional in the State from FY 2019-20 by engaging staff on contractual basis.

Haryana State Financial Services Ltd. (HSFSL) has been incorporated under the Companies Act, 2013 and is registered with the Reserve Bank of India as a Non Banking Financial Company (NBFC) ND - 'Type II' to act as an in-house treasury manager for efficient management of surplus funds of State Public Enterprises and other Government of Haryana Entities.

During Financial Year 2020-21, total funds of ₹ 359.02 Crore have been invested in the account of HSFSL upto 02.02.2021. Out of the total funds received by HSFSL, ₹ 310.51 Crore have been invested by the Haryana State Road and Bridge Development Corporation Limited, Haryana Scheduled Castes Finance and Development Corporation, Haryana State Medical Council and Trade Fair Authority of Haryana at Interest rate of 4.90% per annum upto ₹ 2.00 Crore and at the rate 4.25% per annum on or above ₹ 2.00 Crore. Further, Haryana Scheduled Castes Finance and Development Corporation has also invested ₹ 48.51 Crore @ 4.85% per annum.

Out of the total funds received, ₹ 310.00 Crore has been financed by the company to Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) Ltd. @ 7% per annum on 8th October, 2020 and ₹ 10.14 Crore to Haryana Agro Industries Corporation Limited @ 8% per annum on 15th February, 2021 and the balance amount of ₹ 38.88 crore is deposited in the Harco Bank Current Account of the Company.

Resource Mobilization Committee: A Resource Mobilization Committee has 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 also, the meetings of the said Committee will be regularly convened.

D. Rationale for policy changes

The New Excise Policy for the financial year 2021-22 is to be approved by the Government. 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, the outstanding debt as percentage of GSDP is to be 25 percent during the period 2015-16 to 2019-20. The 14th Finance Commission has assumed 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 2019-20. However, due to COVID-19 Pandemic, Ministry of Finance, Government of India has allowed the 2% additional fiscal deficit over and above the 3% fiscal deficit of GSDP (i.e. 5% of GSDP) during 2020-21 subject to the condition of amendment in the State FRBM, Act and implementation of Specific State Level Reforms. Accordingly, the State Government has made the amendment in the Haryana FRBM, Act 2005 vide notification dated 22 September, 2020.

As per recommendations of 15th Finance Commission, the guidelines regarding fiscal parameters for its award period for amendment in the FRBM Act, 2005 has not been received from the Ministry of Finance, Government of India so far.

The Revenue Deficit, as percentage of GSDP is estimated to be 2.43 percent in RE 2020-21 and about 3.29 percent in BE 2021-22. The Fiscal Deficit, as percentage of GSDP, is estimated to be 2.90 percent in RE 2020-21 and 3.83 percent in BE 2021-22.

Special Assistance from Government of India during 2020-21 in view of COVID-19:

The unprecedented COVID-19 Pandemic has had a serious negative impact on the resources of both Central and State Governments. The States were required additional resources to fight the pandemic and maintain the standards of service delivery to the public. To strengthen the resources in the hand of the State Governments, the Government of India has provided the special

financial assistance in various forms to the Haryana Government during 2020-21 as under:-

(i) Increasing of Ways & Means Advance Limit:

The Reserve Bank of India vide press release dated April 17, 2020 has increased the limit of Ways & Means Advance (WMA) by 60% over and above the level as on March 31, 2020 (i.e. from ₹ 915.00 crore to ₹ 1464.00 crore) upto September 2020. Thereafter, this increased limit was again extended upto 31st March, 2021 to provide greater comfort to States to plan market borrowing. Accordingly, State is availing the WMA facilities judiciously as per need felt.

(ii) Facility for withdrawing the 75% amount from Consolidated Sinking Fund:

As per Guidelines of the Reserve Bank of India, revised Scheme of Consolidated Sinking Fund has been notified by the State Government on 18th June 2020. As per objective of the Scheme, the Fund is to be utilised as an Amortisation Fund for redemption of the outstanding liabilities of the Government. The interest accrued and accumulated in the Fund only shall be utilised towards the redemption of the outstanding liabilities of the Government. However, during 2020-21, the Reserve Bank of India has relaxed the CSF Guidelines and allowed the State Government to withdraw 75% amount i.e. ₹ 1516.29 crore from the Consolidated Sinking Fund of the outstanding balance as on 31.03.2020 to meet out the redemption obligations. Accordingly, the entire amount of ₹ 1516.29 crore have been received on account of disinvestment proceeds of CSF Securities upto 8th February 2021.

(iii) Borrowing for the shortfall in GST Compensation:

As per Government of India borrowings options for the shortfalls in GST compensation of the States in the current financial year 2020-21, the Haryana Government has choose the Option-1. Under this Scheme, total compensation amounting to ₹ 4352.00 crore was to be provided to the Haryana Government by Ministry of Finance, Government of India. Against this, an amount of ₹ 4343.62 crore has been received upto 1st March, 2021 and the balance amount will be received upto 31st March 2021.

(iv) Assistance for Capital expenditure:

During current fiscal 2020-21, Ministry of Finance, Government of India has provided the special assistance of ₹ 91.00 crore in two installments (₹ 45.50 crore each) to the Haryana State in the form of interest free loan for the span of 50 years for the project namely- "Pandit Deen Dayal Upadhyaya University of Health Sciences (Phase-1) at Village Kutail (Karnal)". The entire amount of interest free loan has been further released to the Medical Education & Research Department, Haryana for the said project. The Utilization Certificate of 1st installment amounting to ₹ 45.50 crore has already been sent to the Ministry of Finance, Government of India. After utilizing the 2nd installment of ₹ 45.50 crore by the Department, Utilization Certification of this amount will also be sent to the Ministry of Finance, Government of India before 31st March, 2021.

(v) Facility of 2% additional borrowing of GSDP:

Ministry of Finance, Government of India has allowed the States additional borrowing of 2 percent of Gross State Domestic Product (GSDP) for the year 2020-21 subject to the implementation of specific State Level Reforms namely; (a) Implementation of One Nation One Ration Card System; (b) Ease of doing business reform; (c) Urban Local Body/utility reforms; (d) Power Sector reforms. Weightage of each reforms 0.25% of the GSDP totaling to 1 percent. The remaining borrowing limit of 1 percent was to be released in two installments of 0.50% each. Under this Scheme, permission of 1.5% additional borrowing amounting to ₹ 12879 crore (₹ 4292 crore on implementation of first two reforms mentioned at (a) and (b) above and remaining 1% unconditional borrowing amounting to ₹ 8586.00 crore) have been sanctioned by the Government of India. Against the revised borrowing limit from 3% to 5% of GSDP, the Ministry of Finance, Government of India has sanctioned the total borrowing of ₹ 40,661 crore (i.e. 4.50% of the GSDP) so far.

Form D-1
[See rule 6]

SELECT FISCAL INDICATORS

Sr. No	Item	Previous Year 2019-20 (Actual)	Current Year 2020-21 (Revised Estimates)
1.	Gross Fiscal Deficit as percentage of GSDP	2.88	2.90
2.	Revenue Deficit as percentage of Gross Fiscal Deficit	55.67	83.72
3.	Revenue Deficit as percentage of GSDP	2.04	2.43
4.	Revenue Deficit as percentage of TRR	25.03	27.39
5.	Total Liabilities -GSDP Ratio (%)	26.34	27.21
6.	Total Liabilities to Total Revenue Receipts (%)	322.90	306.86
7.	Total Liabilities to State's Own Revenue Receipts (%)	436.26	430.33
8.	State's Own Revenue Receipts to Revenue Expenditure (%)	59.19	55.98
9.	Capital Outlay as percentage of Gross Fiscal Deficit	57.88	20.33
10.	Interest Payment as percentage of Revenue Receipts	22.97	23.17
11.	Salary expenditure as percentage of Revenue Receipts	30.91	29.48
12.	Pension expenditure as percentage of Revenue Receipts	13.02	13.00
13.	Non-developmental expenditure as percentage of aggregate disbursements	22.66	26.47
14.	Gross Transfers from the Centre as percentage of Aggregate Disbursements	14.74	15.88
15.	Non-tax Revenue as percentage of TRR	10.90	10.20

Form D-2
[See rule 6]

A. Components of State Government Liabilities

(₹ crores)

Category	Raised during the Fiscal Year		Repayment/ Redemption during the Fiscal Year		Outstanding Amount	
	Previous Year 2019-20 (Actual)	Current Year 2020-21 (RE)	Previous year 2019-20 (Actual)	Current year 2020-21 (RE)	Previous year (Actual) as on 31.3.2020	Current year (RE) as on 31.3.2021
Market Borrowings	24676.85	30000.00	4000.00	5050.00	135666.44	160616.44
Loans from Centre	102.39	120.00	263.88	344.40	1705.44	1481.04
Special Securities issued to the National Small Savings Fund	0.00	0.00	1004.39	1004.39	9365.12	8360.73
Borrowings from Financial Institutions/ Banks	18390.83	13045.00	9245.93	22406.05	12776.07	3415.02
Power Bonds	0.00	0.00	0.00	0.00	25950.00	25950.00
Ways and Means Advances/ Over Draft from Reserve Bank of India	1261.75	4976.60	1261.75	4976.60	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.	3670.13	3962.10	2422.90	2445.00	16962.47	18479.57
Reserve Funds/ Deposits	31428.33	35934.28	29985.75	37539.75	16415.42	14809.95
Other Liabilities	8919.27	9255.00	8973.01	9010.00	273.74	518.74
Total	84449.55	97292.98	57157.61	82776.19	219114.70	233631.49

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) (₹ crores)	
	Previous Year 2019-20 (Actual)	Current Year 2020-21 (Revised Estimates)	Previous year 2019-20 (Actual)	Current year 2020-21 (Revised Estimates)
Market Borrowings	7.29	6.61	135666.44	160616.44
Loans from Centre (EAP)	0.80	0.80	1705.44	1481.04
Special Securities issued to the National Small Savings Fund	--	--	9365.12	8360.73
Borrowings from Financial Institutions/ Banks (NABARD/NCRPB)	4.20 7.00	2.75 7.00	12776.07	3415.02
Power Bonds	--	--	25950.00	25950.00
Ways and Means Advances/ Over Draft from Reserve Bank of India	5.55 --	4.00 --	0.00 0.00	0.00 0.00
Floating Debt from RBI	--	--	0.00	0.00
Small Savings, Provident Funds etc.	7.92	7.10	16962.47	18479.57
Reserve Funds/ Deposits (GRF/CSF)	8.47 8.21	8.47 8.21	16415.42	14809.95
Other Liabilities	--	--	273.74	518.74
Total	--	--	219114.70	233631.49

Form D-3

[See rule 6]

Consolidated Sinking Fund (CSF)

(₹ crores)

Outstanding balance in Consolidated Sinking Fund at the beginning of the previous year as on 01.04.2019	Additions during the previous year 2019-20	Withdrawals from Consolidated Sinking Fund during the previous year 2019-20	Outstanding balance in Consolidated Sinking Fund at the end of the previous year/ beginning of current year as on 31.03.2020	(4)/ Outstanding Stock of Statutory Liquidity Ratio Borrowings (%)	Additions to Consolidated Sinking Fund during the current year 2020-21	Withdrawals from Consolidated Sinking Fund during the current year 2020-21	Outstanding at the end of current year/ beginning of ensuing year as on 31.3.2021	(8)/ Stock of Statutory Liquidity Ratio Borrowings (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1924.04	157.89	--	2081.93	4.69	0.00	1516.29	565.04	0.35

Form D - 4

[See rule 6]

Guarantees given by the Government

Year-2019-20

(₹ crores)

1	Category	Maximum Amount Guaranteed during the year	Outstanding at the beginning of the year as on 31.3.2019	Additions during the year 2019-20	Reductions during the year (other than invoked during the Year)	Invoked during the year 2019-20		Outstanding at the end of the year As on 31.3.2020	Guarantee Commission or Fee 2019-20	
						Discharged	Not Discharged		Receivable	Received
2	3	4	5	6	7	8	9	10	11	
A-	Power Companies & Statutory Corporations	5237.23	3625.00	1612.22	1177.84	0.00	0.00	4059.39	28.47	28.40
B-	Government Companies	3967.58	3834.12	133.46	179.65	0.00	0.00	3787.92	22.95	0.34
C-	Cooperative Bank and Cooperative Societies	629.35	629.35	0.00	200.39	0.00	0.00	428.96	7.38	0.00
D-	Municipal Corporation and Urban Development (HSVP)	12726.34	10131.40	2594.94	264.97	0.00	0.00	12461.37	72.00	70.00
Total A+B+C+D		22560.49	18219.87	4340.62	1822.86	0.00	0.00	20737.64	130.80	98.74

Form D-5

[See rule 6]

Guarantee Redemption Fund (GRF)

(₹ crores)

Outstanding invoked guarantees at the end of the previous year 2019-20	Outstanding amount in Guarantee Redemption Fund at the end of the previous year as on 31.3.2020	Amount of guarantees likely to be invoked during the current year 2020-21	Addition to Guarantee Redemption Fund during the current year 2020-21	Withdrawal from the Guarantee Redemption Fund during the current year 2020-21	Outstanding amount in Guarantee Redemption Fund at the end of the current year as on 31.3.2021
(1)	(2)	(3)	(4)	(5)	(6)
--	1223.81	--	--	--	1223.81

Form D-6

[See rule 6]

Statement of Assets

	Assets at the beginning of the reporting year	Assets acquired during the reporting year	Cumulative total of assets at the end of the reporting year
	Book Value (₹ crores)	Book Value (₹ crores)	Book Value (₹ crores)
Financial Assets:-			
Loans and Advances	11473.69	-4083.39	7390.30
Loans to Local Bodies	0.00	0.00	0.00
Loans to companies	6471.21	-5122.13	1349.08
Loans to others	5002.48	1038.74	6041.22
Equity Investment	30747.91	6175.01	36922.92
Shares	0.00	0.00	0.00
Bonus shares	0.00	0.00	0.00
Investments in Government of India dated securities/Treasury Bills	-69.14	760.51	691.37
Investments in 14-day Intermediate Treasury Bills	725.42	1610.34	2335.76
Cash	-794.56	-849.83	-1644.39
Other financial investments (On Reserve Funds and Fixed Assets) (Please specify)	66923.19	11690.33	78613.52
Investments on Reserve Funds	3054.62	253.42	3308.04
Investments on Fixed Assets	63868.57	11436.91	75305.48
Total	109075.65	14542.46	123618.11
Physical Assets:-			
Land Building— Office/Residential	365625.51	6791.04	371048.72
Roads	74956.67	743.07	75699.74
Bridges	3264.89	1135.42	4400.31
Irrigation Projects	8114.16	124.84	8239.00
Power Projects	4187.21	23.79	3876.22
Other capital projects	10359.56	1368.87	11719.14
Machinery and equipment	22894.59	266.79	23161.29
Office equipment	547.91	57.48	570.99
Vehicles	2157.97	69.91	2176.83
Total	492108.47	10581.21	500892.24

Note:-The Financial Assets as per Finance Accounts for FY 2019-20 and Physical Assets are as per information supplied by the State Government Departments for FY 2018-19.

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
		(₹ crores)			(₹ crores)			
		Upto 5 years	Over 5 years	Total	Upto 5 Years	Over 5 years	Total	
1	Taxes on Income and Expenditure	24.04	39.09	63.13	118.11	159.13	277.24	340.37
	Taxes on Professions, Trades, callings and employment	24.04	39.09	63.13	118.11	159.13	277.24	340.37
2	Taxes on Property and Capital Services	43.39	42.29	85.68	3070.71	1223.68	4294.39	4380.07
	Land Revenue	36.71	42.17	78.88	1815.43	511.53	2326.96	2405.84
	Stamps and Registration fees	6.68	0.12	6.80	1255.28	712.15	1967.43	1974.23
3	Taxes on Commodities and Services	4633.15	2317.69	6950.84	19589.37	4515.00	24104.37	31055.21
	Value Added Tax (VAT)	3016.77	1429.26	4446.03	11004.91	2018.72	13023.63	17469.66
	Central Sales Tax	1610.64	862.08	2472.72	8424.85	2349.92	10774.77	13247.49
	Sales Tax on Motor Spirit and Lubricants	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	State Excise	5.74	26.35	32.09	159.61	146.36	305.97	338.06
4	Taxes on Vehicles	0.61	0.06	0.67	4.49	2.95	7.44	8.11
	(i) Road Tax	0.61	0.06	0.67	4.49	2.95	7.44	8.11
	(ii) Passenger and Goods Tax (PGT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Other Taxes	42.89	62.93	105.82	2.02	0.08	2.10	107.92
	(i) Entry Tax	42.76	59.73	102.49	1.77	0.00	1.77	104.26
	(ii) Luxury Tax	0.00	0.00	0.00	0.21	0.00	0.21	0.21
	(iii) Entertainment Tax	0.13	3.20	3.33	0.04	0.08	0.12	3.45
TOTAL		4744.08	2462.06	7206.14	22784.70	5900.84	28685.54	35891.68

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

[29]

Form D-8

[See rule 6]

Statement of Miscellaneous Liabilities: Outstandings

Year-2019-20

(₹ crores)

	Outstanding Amount
Major Works and Contracts	1899.30
Committed liabilities in respect of land acquisition charges	195.25
Claims in respect of unpaid bills on works and supplies	805.25

Form D-9

(See rule-6)

State's Economy and Related Fiscal Strategy

(₹ crores)

Sr. No.	Particular	Previous Year 2019-20 (Actual)	Current Year 2020-21 (Revised Estimates)
A.	Total GSDP		
1. (a)	at current prices	780612.35	764872.41
(b)	at constant (2011-12) prices	559705.00	528069.75
2.	GSVA at basic prices*		
(a)	at current prices	674747.26	661266.67
(b)	at constant (2011-12) prices	492747.35	467133.49
3.	Agriculture (Crops + Livestock) Sector (GSVA)		
(a)	at current prices	122027.03	132640.36
(b)	at constant (2011-12) prices	79631.53	83412.26
4.	Industry (Manufacturing) Sector (GSVA)		
(a)	at current prices	126782.57	116639.97
(b)	at constant (2011-12) prices	110250.74	99887.17
5.	Tertiary Sector (GSVA)		
(a)	at current prices	347059.07	339090.34
(b)	at constant (2011-12) prices	252002.40	237716.64
B	Fiscal Strategy		
1	Revenue Receipts (2+3)	67858.13	76135.24
2	Tax Revenue (2.1+2.2)	49936.48	52479.87
2.1	Own Tax Revenue	42824.95	46529.00
2.2	State's Share in Central Taxes	7111.53	5950.87
3	Non-Tax Revenue (3.1 + 3.2)	17921.65	23655.37
3.1	State's Own Non Tax Revenue	7399.74	7762.68
3.2	Central Transfers (Grants)	10521.91	15892.69
4	Capital Receipts	35965.26	27021.61
5	Recovery of loans	5392.64	508.98

Sr. No.	Particular	Previous Year 2019-20 (Actual)	Current Year 2020-21 (Revised Estimates)
6	Other Receipts	54.01	1600.00
7	Borrowing and other liabilities(Net)	23989.76	24912.63
8	Total Receipts	103823.39	103156.85
9	Revenue Expenditure of which:	84848.21	96991.49
10	(a) Interest payments	15588.01	17642.64
	(b) Subsidies	8105.17	8161.45
	(c) Wages and Salaries	21222.10	23089.16
	(d) Pension Payments	8832.94	9900.01
11	Capital Expenditure	18975.18	6165.36
12	Capital Expenditure Net of Expenditure on food procurement	14572.87	9018.48
13	Total Expenditure (9+11)	103823.39	103156.85
14	Revenue Deficit (9-1)	16990.08	20856.25
15	Fiscal Surplus/Deficit	23989.76	24912.63
16	Primary Deficit	14930.60	7269.99

* GSVA estimates for 2020-21 are based on targets/anticipated achievements in case of Agriculture & Allied sectors 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 2019-20 and Advance Estimates for 2020-21.

Form D-10**(See rule-6)****Number of Employees in Government, Public Sector and Aided Institutions and Related Salaries**

Sr. No.	Item	Previous Year 2019-20 (Actual)		Current Year 2020-21 (Revised Estimates)	
		No. of Employees	Related Salary (₹ crores)	No. of Employees	Related Salary (₹ crores)
1.	State Government	379387	22838.21	393369	22448.04
2.	Public Sector	73228	4735.52	73190	3879.94
3.	Aided Institutions	7967	501.03	8226	528.44
	Total	460582	28074.76	474785	26856.42

Note: In the above said details, the number of employees engaged on contract basis through outsourcing policy part-I & II, part time, work charged, D.C. rates etc. alongwith their related salary are included.

Statement of Pension Liabilities

Trend in Pension Liabilities on account of retired State Government Employees.

Financial Year	Expenditure incurred (₹ crores)
2019-20 (Actual)	8832.94
2020-21 (RE)	9000.00
2021-22	10982.51
2022-23	12135.67
2023-24	13409.92
2024-25	14817.96
2025-26	16373.85
2026-27	17723.99
2027-28	19038.51
2028-29	20241.14
2029-30	21644.72

Note: From Financial Year 2021-22, estimates are on trend basis.

HALF YEARLY REVIEW OF TRENDS IN RECEIPTS AND EXPENDITURE IN RELATION TO BUDGET ESTIMATES- 2019-20 AND 2020-21.

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, Chief Minister, Haryana reviewed the trends in receipts in relation to Budget Estimates 2019-20 and 2020-21 from time to time. In the meeting held on 05.02.2021, the Hon’ble Chief Minister reviewed the Budget of Major Departments. The Administrative Secretaries of the Department concerned attended the meeting.

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.

Due to COVID 19 pandemic, Ministry of Finance, Government of India has allowed the States to avail the 2% additional fiscal deficit over and above the 3% fiscal deficit of GSDP (i.e. 5% of GSDP) during 2020-21 by amending the FRBM Act. Accordingly, the State Government has amended the Haryana FRBM Act, 2005 vide notification dated 22 September, 2020.

As per recommendations of 15th Finance Commission, the guidelines regarding fiscal parameters for its award period for amendment in the FRBM Act, 2005 has not been received from the Ministry of Finance, Government of India so far.

In the meeting held on 05.02.2021, Additional Chief Secretary, 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 2020-21 up to September, 2020 with comparison to corresponding period of 2019-20 are as under:-

A) Revenue Receipts

During 1st half of 2019-20 (April-September), the receipts were ₹ 32694.28 crores, which is 39.76% against the Budget Estimates 2019-20 of ₹ 82219.41 crores. During 2020-21, against the Budget Estimates of ₹ 89964.14 crores, the receipts during 1st half of the year were at ₹ 24381.77 crores which constitute 27.10%. Thus, during the 1st half of 2020-21, the Revenue Receipts are lower by 12.66% (27.10%-39.76%) as compared to the corresponding period of 2019-20. Total Revenue Receipts during 2019-20 were ₹ 67858.13 crores against the Revised Estimates of ₹ 77580.73 crores constituting 87.47% of the estimates.

i. State Tax Revenue

During 1st half of 2019-20 (April-September), the collection was ₹ 21820.70 crores constituting 42.70% against the Budget Estimates of ₹ 51105.00 crores. During 2020-21, against the Budget Estimates of ₹ 52095.65 crores, the State tax collection in the 1st Half of the year is ₹ 16088.17 crores constituting 30.88%. Thus, the State tax revenue receipts during 1st half of 2020-21 are lower by 11.82% (30.88%-42.70%) as compared to the corresponding period of 2019-20. During 2019-20, against the Revised Estimates of ₹ 47842.04 crores, total State tax revenue receipts were ₹ 42824.95 crores constituting 89.51% of the estimates.

ii. State Non-Tax Receipts

During 1st half of 2019-20, the achievement was ₹ 2937.59 crores constituting 29.30% against the Budget Estimates of ₹10024.95 crores. In 2020-21, the achievement during 1st half of the year is ₹ 1308.77 crores which is 8.48% against the Budget Estimates of ₹ 15428.22 crores, which is lower by 20.82% (8.48%-29.30%) as compared to the corresponding period of 2019-20. During

2019-20, against the Revised Estimates of ₹ 10135.09 crores, the non-tax receipts were ₹ 7399.74 crores constituting 73.01% of the estimates.

iii. Share in Central Taxes

During 1st half of 2019-20, the achievement was ₹ 3373.59 crores, which is 30.08% against the Budget Estimates of ₹ 11216.64 crores. During 2020-21, the achievement in the 1st half of the year is ₹ 2318.21 crores constituting 27.32% against the Budget Estimates of ₹ 8484.82 crores, which is lower by 2.76% (27.32%-30.08%) as compared to the corresponding period of 2019-20. During 2019-20, against the Revised Estimates of ₹ 7111.53 crores, the share in Central taxes was ₹ 7111.53 crores constituting 100.00% of the estimates.

iv. Grant-in-Aid from Centre

In the 1st half of 2019-20, the achievement of Grant-in-aid from Centre was ₹ 4562.40 crores constituting 46.21% against the Budget Estimates of ₹ 9872.82 crores. During 2020-21, the achievement in 1st half of the year is ₹ 4666.62 crores constituting 33.44% against the Budget Estimates of ₹ 13955.45 crores, which is lower by 12.77% (33.44-46.21%) as compared to the corresponding period of 2019-20. During 2019-20, against the Revised Estimates of ₹12492.07 crores, Grant-in-aid received from the Central government was ₹ 10521.91 crores during the year constituting 84.23% of the estimates.

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

The trend of revenue and capital expenditure during current financial year 2020-21 with comparison to corresponding period 2019-20 is as under:-

B) Expenditure

During 1st half of 2019-20 (April-September), the expenditure was ₹ 49027.60 crores constituting 43.81% of the Budget Estimates of ₹ 111908.84 crores. During 2020-21, against the Budget Estimates of ₹ 119751.97 crores, the expenditure during 1st half of the year is at ₹ 36054.39 crores which constitute 30.11%. Thus, during 1st half of 2020-21, the total expenditure is lower by 13.70% (30.11%-43.81%) as compared to the corresponding period of 2019-20.

During 2019-20 against the Revised Estimates of ₹ 108203.33 crores, the total expenditure was ₹ 103823.38 crores constituting 95.95% of the estimates.

Revenue Expenditure

During the 1st half of 2019-20, the expenditure was ₹ 37164.16 crores constituting 39.43% of the Budget Estimates of ₹ 94241.90 crores. During 2020-21, against the Budget Estimates of ₹ 105338.09 crores, the total expenditure during 1st half of the year is ₹ 35174.31 crores which is 33.39% of the estimates. Thus, in ratio to the Budget Estimates, the expenditure in 1st half of the year of 2020-21 is lower by 6.04% (33.39%-39.43%) as compared to the corresponding period of 2019-20. During 2019-20, against the Revised Estimates of ₹ 92256.10 crores, total expenditure was ₹ 84848.21 crores constituting 91.97% of the estimates.

Capital Expenditure:

During the 1st half of 2019-20, the expenditure was ₹ 11863.44 crores constituting 67.15% of the Budget Estimates of ₹ 17666.94 crores. During 2020-21, against the Budget Estimates of ₹ 14413.88 crores, expenditure in 1st half of the year stood at ₹ 880.08 crores which is 6.11%, which is lower by 61.04% (6.11%-67.15%) as compared to the corresponding period of 2019-20. During 2019-20, against the Revised Estimates of ₹ 15947.23 crores, the capital expenditure was ₹ 18975.17 crores constituting 118.99% of the estimates.

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 2019-20 and 1st half of 2020-21 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- 2019-20 and 2020-21

(₹ in crore)

Sr. No.	Item	2019-20								2020-21		
		Full Year				First Half Year		Second Half Year		First Half Year		
		2019-20 (Budget Estimates)	2019-20 (Revised Estimates)	2019-20 (Actuals)	%age to Col. 4	1.4.2019 to 30.09.2019 (Actuals)	%age to Col. 3	01.10.2019 to 31.03.2020 (Actuals)	%age to Col. 3	2020-21 (Budget Estimates)	1.04.2020 to 30.09.2020 (Actuals)	%age to Col. 11
1	2	3	4	5	6	7	8	9	10	11	12	13
A	Revenue Receipts	82219.41	77580.73	67858.13	87.47	32694.28	39.76	35163.85	42.77	89964.14	24381.77	27.10
1	State Tax Revenue	51105.00	47842.04	42824.95	89.51	21820.70	42.70	21004.25	41.10	52095.65	16088.17	30.88
2	State Non-Tax Revenue	10024.95	10135.09	7399.74	73.01	2937.59	29.30	4462.15	44.51	15428.22	1308.77	8.48
3	Share in Central Taxes	11216.64	7111.53	7111.53	100.00	3373.59	30.08	3737.94	33.32	8484.82	2318.21	27.32
4	Grants-in-Aid	9872.82	12492.07	10521.91	84.23	4562.40	46.21	5959.51	60.36	13955.45	4666.62	33.44
B	Expenditure	111908.84	108203.33	103823.38	95.95	49027.60	43.81	54795.78	48.96	119751.97	36054.39	30.11
1	Revenue Expenditure	94241.90	92256.10	84848.21	91.97	37164.16	39.43	47684.05	50.60	105338.09	35174.31	33.39
2	Capital Expenditure	17666.94	15947.23	18975.17	118.99	11863.44	67.15	7111.73	40.25	14413.88	880.08	6.11