

Chhattisgarh Fiscal Responsibility And Budget Management Rules, 2006

CONTENTS

1. Short Title And Commencement
2. Definitions
- 3 . Macro Economic Framework Statement, Medium Term Fiscal Policy Statement, Fiscal Policy Strategy Statement And
4. Disclosures
5. Measures To Enforce Compliance

Chhattisgarh Fiscal Responsibility And Budget Management Rules, 2006

In exercise of the powers conferred by section 7 of the CHHATTISGARH FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2005 (No.16 of 2005), the State Government hereby makes the following rules, namely: -

1. Short Title And Commencement :-

- (1) These rules may be called the Chhattisgarh Fiscal Responsibility and Budget Management Rules, 2006.
- (2) It shall come into force from the date of its publication in the official Gazette.

2. Definitions :-

In these rules, unless the context otherwise requires,

- (a) "Act" means the Chhattisgarh Fiscal Responsibility and Budget Management Act, 2005 (No 16 of 2005);
- (b) "Form" means a form appended to these rules;
- (c) "GSDP" as defined in the Act refers to the gross domestic product of Chhattisgarh at factor cost at current prices .
- (d) "Own Revenues" means aggregate of own tax revenues and own non-tax revenues of the State as reported in its Finance and Accounts, duly audited by the Accountant General;
- (e) "Risk weighted basis" means assessment of value of guarantee issued on the basis of risk weights assigned to factors impacting the possibility of such guarantees being called for honouring.
- (f) "Section" means a section of the Act;

(g) "State" means the State of Chhattisgarh;

(h) The words and expressions used but not defined in these rules shall carry the same meaning as have been assigned to them in the Act.

3. Macro Economic Framework Statement, Medium Term Fiscal Policy Statement, Fiscal Policy Strategy Statement And :-

(1) Macro-Economic Framework Statement, as required to be laid before State Legislature by the State Government under section 4(1) (a), with contents specified in section 4(2) of the Act, shall be in Form F-1.

(2) Medium Term Fiscal Policy Statement, as required to be laid before State Legislature by the State Government under section 4(1) (b), with contents specified in the section 4(3) of the Act including three year rolling targets for fiscal indicators, shall be in Form F-2.

(3) Fiscal Policy Strategy Statement, as required to be laid before State Legislature by the State Government under section 4(1) (c) of the Act with contents specified in section 4(4), shall be in Form F-3.

4. Disclosures :-

(1) The State Government shall, at the time of presenting the annual financial statement and demands for grants, make disclosures as required under section 5 of the Act in the following statements: -

(a) A statement of fiscal indicators in Form D-I;

(b) A statement of total liabilities of the state government in form D-2;

(c) A consolidated statement of the Sinking Funds established by the state government in form D-3;

(d) A statement of guarantees given by the state government in form D-4;

(e) A statement of outstanding risk weighted guarantees given by the state government in form D-5;

(f) A statement on the Guarantee Redemption Fund in form D-6;

(g) A statement of assets in Form D-7

(h) A statement of accrued but not received revenue receipts in forms D-8;(i) A statement on accrued liability in respect of works and contracts, including liabilities for land acquisition costs and

claims of unpaid bills and supplies in form D-9

(j) A statement detailing significant changes in the accounting standards, policies, practices affecting or likely to affect the computation of fiscal indicators in form D-10;

(k) A statement giving details of the borrowings by way of Ways and Means Advances/Overdraft availed of from the Reserve Bank of India in form D-11; and

(l) A statement giving details of the number of employees in Government, public sector and aided institutions and related salaries in the form D-12.

(2) The provisions of sub-rule (1), other than (e), (h), (g), (i) and (j) shall be complied with not later than with the presentation of the annual financial statement and demands for grants for the financial year 2006-2007. Provisions of sub-rule (1) (e), (h) (g), (i) and (j) shall be complied with not later than the presentation of annual financial statement for the financial year 2007-08.

5. Measures To Enforce Compliance :-

In case the outcome for the quarterly review of trends in receipts and expenditure, made under sub-section (1) of section 6, at the end of second quarter of any financial year beginning with the financial year 2006-2007 shows that -

(i) the total non-debt receipts are less than 40 per cent of Budget Estimates for that year; or

(ii) the fiscal deficit is higher than 45 per cent of the Budget Estimates for that year; or

(iii) the revenue deficit is higher than 45 per cent of the Budget Estimates for that year, then, -

(a) as required under sub-section (2) of section (6) of the Act, the State Government shall take appropriate corrective measures; and

(b) as required under sub-section (3) (ii) of section (6) of the Act, the Minister of Finance shall make a statement in State Legislature during the session immediately following the end of the second quarter detailing the corrective measures taken, the manner in which any supplementary demands for grants are proposed to be financed and the prospects for the fiscal deficit of that financial year. By order and in the name of the Governor of Chhattisgarh (Renu G.Pillay)