

Minutes of the workshop on “Issues and Challenges in preparation of Budget for 2017-18”

A workshop on “Issues and Challenges in preparation of Budget for 2017-18” was held on 29.01.2017 under the Chairmanship of Hon’ble Chief Minister, Haryana at Gymkhana Club, Sector-1, MDC, Panchkula. Ministers, Administrative Secretaries and Officers/Officials of Finance and Planning Departments attended this workshop. In the opening remarks, the Hon’ble Chief Minister, has identified seven prioritized sectors named as “Sapta Kranti”. These are:

- Women Empowerment
- Development of Youth
- Agriculture and Rural Development
- Infrastructure Development
- Health
- Education and I.T Governance
- Culture

Further, Hon’ble Chief Minister, focussed on prioritising the work to yield maximum output with minimum budget with following measures:-

- To rationalize the salaries and pensions and focus on outsourcing rather than Direct Recruitment.
- Priority should be given to the Chief Minister’s announcements by the departments while fixing their budget and realistic announcements should be implemented in a given time frame.
- To reduce the office expenses like POL and Energy Charges by moving to Solar Power and Smart Metering in the Departments.
- The departments should explore the possibility of funding their projects from NABARD/NCRPB to take advantage of low rate of interest.
- Greater emphasis on promoting Digitization/Cashless Payments to curb corruption in the State.
- A chapter on cashless economy/modes should be introduced in the curriculum at various levels of education.
- An integrated approach on Rural-Urban Schemes in all the departments, on Rurban pattern may be followed rather than segregation on Rural and Urban basis.

- Every Department should list out their properties outside the State and frame a policy to dispose off such assets.
- Transfer the services to the PRIs alongwith funds from departments and to open a separate head under each Department for grants to be given to PRIs at the level of block Samitis/Zila Parishads.

Thereafter, Additional Chief Secretary, Finance & Planning gave a bird's eye view on the State profile and resource mobilisation which included basic statistics with improved Sex Ratio, GDP, GSDP, Revenue and Fiscal Deficit, Per Capita Income, Total Revenue Receipt Ratio with the summary of Receipt and Expenditure Budget. Further, he added that Haryana will be one of the few States to implement Sustainable Development Goals that include six principles of new way of governance. He further discussed various issues and challenges being faced towards preparation of budget for the forthcoming financial year 2017-18. He suggested various measures to curtail non-essential expenditure on Wages/Contractual Services, Office Expenses, POL, Motor Vehicles, Energy Charges, Maintenance and Furniture. He also emphasized on the areas of concern which are as follows:

- Disproportionate Non-Plan Expenditure (65%) with regard to Plan Expenditure (48%) upto 27-01-2017.
- Revenue Receipts are not upto the expectations.
- Mismatch between estimated projections and actual receipt of funds under CSS from GOI.
- After implementation of FRP and UDAY, the burden of RE subsidy is increasing. Further, the loss reduction targets under UDAY schemes are also not being achieved by the DISCOMs.
- Directions to all departments to make a list of their properties outside Haryana and dispose off, if not beneficial.
- To create a cell in Revenue Department to take care of these properties.
- Asset Register is to be created by Revenue Department.
- E-governance / reforms
- Action plan for implementation of SDGs

Key Challenges

- Diversification and growth in Agriculture
- Efficient management of water resources
- Financial sustainability of the Power Sector

- Infrastructure development
- Efficient management of urbanization
- Improvement in Social Sector outcomes, particularly in Health & Education
- Welfare of SCs/BCs and vulnerable sections of the society
- Creation of adequate infrastructure and livelihoods in rural areas
- Balanced regional development

Hon'ble Finance Minister in his intervention raised the following issues:-

- The State Government will present this year's budget on the basis of Revenue and Capital Classification in place of Plan and Non-Plan.
- The Department should not recruit employees under CSS where liability has to be borne by the State Government at a later stage. If it is mandatory, prior approval of Finance Department must be taken for their recruitment.
- Regarding Health Insurance Policy for Government Employees, the Health Department should study the report of the Committee and to study the pattern adopted by the other States like Tamil Nadu, Andhra Pradesh and Rajasthan. Hon'ble Agriculture Minister suggested to establish a State owned Insurance Company for all type of insurances (health, crops and animal husbandry).
- There is a need for constitution of an Exclusive Cell to look after the illegal encroachment of Government lands. Hon'ble Chief Minister suggested to fulfil the requirement by outsourcing.

A. RESOURCE MOBILIZATION MEASURES

Town & Country Planning

- EDC is State's revenue. It should be deposited in the receipt head of the State.
- A new scheme viz; "Infrastructure Development in Urban Areas" be formulated which may be funded by NCRPB/NABARD.

Excise & Taxation

- It was informed that target of revenue collection by Excise & Taxation will be achieved.
- Wholesale business of liquor should be in control of the State Government so that the revenue from liquor may be increased as adopted by other States like H.P, Jharkhand and Kerala. Hon'ble CM suggested to implement a scheme like "Apna Bill Apna Vikas" in retail sale of liquor.

Urban Local Bodies

- CLU charges collected by ULB's should be deposited in State's receipts.
- It was suggested that a State level committee should be constituted to make new user charges and advertisement fee.
- The concept note prepared by Finance Department may be sent to the department concerned.

Public Health Engineering

- Hon'ble CM suggested that the duty of collection of water charges may be given to panchayats and additional matching grants may be released to the concerned panchayat.
- All collection charges are to be collected by Zila Parishad and other maintenance work can also be done by Zila Parishad and they can create their manpower accordingly.

Power

- Principal Secretary, Power informed that the installation of insulated conductor has already been started, to which Hon'ble CM directed to go for smart metering machines as well.
- Hon'ble CM directed that a comprehensive analysis of line losses in Rohtak district should be carried out.
- Hon'ble Agriculture Minister suggested that alternative irrigation methods be adopted for power saving and underground water saving.
- Power, Agriculture & Farmers Welfare and Irrigation & Water Resources Departments should jointly formulate schemes to this effect.

Education

- Hon'ble Chief Minister directed the department to issue the circular to private colleges and Universities to make in Aadhar seeding enrolments mandatory as it has already been done in the Government Colleges and schools.

Irrigation & Water Resources

- Hon'ble Finance Minister stressed on farmer entrepreneurship by spreading awareness about Solar Energy and Net Metering for the tube wells in the villages in which a farmer can utilize required electricity and can sell rest to others. He also suggested that mapping should be done to analyse Benefit–Cost Ratio. Principal Secretary, Industries and Information Technology Department suggested to give this task to EESL i.e. Energy Efficiency

Services Ltd. The department was directed to explore the potential and take appropriate policy measures.

Transport

- The overloading of goods by transporter should be controlled by the Transport Department.
- The smart cards should be issued to the girl students who travel upto 150 Km and then only subsidy should be given.
- Transport Department along with Home Department should enforce the loading norms and strict action for overloading should be taken.
- Hon'ble Finance Minister suggested that Integrated Check Posts at the entry points in the State may be set up to tackle the above problems.

B. DIRECT BENEFIT TRANSFER

- FCR suggested entry of death registration with Aadhar for updation.
- Hon'ble Agriculture Minister suggested that sample study should be conducted for authenticity of SECC data as there is variation in SECC data.
- The department of Welfare of SC & BC assured that 100% target of Aadhar seeding will be achieved by 30 June, 2017 and the Food & Supplies Department will achieve it by 15 August, 2017.
- The presentation on "Promoting Cashless Economy" based on three keywords i.e. Paperless, Cashless and Faceless.

C. OUTCOME OF THE WORKSHOP

- The effort should be made for preparing a productive budget by making optimal utilization of the resources available.
- The stress should be given to development of Agriculture, Industry, Education, Information Technology and Sanskriti of Haryana.
- The budget needs to cater to the areas which are lacking behind.
- The works pertaining to CM announcements should be given priority.
- The State should strive to increase the Capital Expenditure and reduce the revenue expenditure.
- The resources are declining and there is need to look for avenues for improving the receipts.
- The funds utilization under loan based schemes and those involving Central Share/ CSS needs to be improved. The departments need to take-up the issues

regarding release of Central Share with the concerned Ministries and ensure that the allocated funds are obtained from Government of India.

- Strict measures should be taken for proper utilization of the scarce resources like water, land and energy etc.
- Illegal mining and over loading should be dealt with an iron hand and legal action should be taken against offenders and heavy penalties should be imposed to curb such activities.
- Mapping of assets needs to be done and each department should maintain an asset register of all the properties owned by them. The properties outside the State should be assessed and if they are not fetching any benefits they should be sold as it will result in providing much needed funds for the development of the State.
- The departments should demand funds for the projects which can be implemented during the year i.e. for feasible and approved projects in which all the clearances have already been obtained.
- The departments should prepare roll out plans of the projects/ schemes to be implemented.
- File Management System should be made operational in all departments and access should be given to the Ministers.
- The State should provide benefits on DBT basis as it will cover the deserving beneficiaries and avoid wastage of funds on fake claims. 100% Aadhar seeding of the beneficiary accounts should be done as early as possible. Thereafter, the benefit to claimants whose bank accounts are not linked should be stopped.

The workshop ended with a vote of thanks to the Chair and the participants.
