

GOVERNMENT OF PUNJAB

Department of Legal and Legislative Affairs

THE PUNJAB FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2003

(PUNJAB ACT II OF 2003)



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THE PUNJAB FISCAL RESPONSIBILITY AND
BUDGET MANAGEMENT ACT, 2003
(PUNJAB ACT 11 OF 2003)

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**THE PUNJAB FISCAL RESPONSIBILITY AND BUDGET
MANAGEMENT ACT, 2003**

(PUNJAB ACT 11 OF 2003)

[Received the assent of the Governor of Punjab on the 1st day of May, 2003, and was first published for general information in *Punjab Government Gazette (Extraordinary)*, Legislative Supplement dated the 5th May, 2003.]

An Act to provide for the responsibility of the State Government to ensure inter-generational equity in fiscal management and long-term financial stability by achieving sufficient revenue surplus, containing fiscal deficit and prudential debt management consistent with fiscal sustainability through limits on the State Government borrowings, debt and deficits, greater transparency in fiscal operations of the State Government and conducting fiscal policy in a medium-term framework and for matters connected therewith or incidental thereto.

Be it enacted by the Legislature of the State of Punjab in the Fifty-fourth Year of the Republic of India as follows :—

1. (1) This Act may be called the Punjab Fiscal Responsibility and Budget Management Act, 2003.

Short title
and
commencement

(2) It shall come into force on such date² as the State Government may, by notification in the Official Gazette, appoint in this behalf.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) “annual budget” means the annual financial statement laid before the Punjab Legislative Assembly under article 202 of the Constitution of India ;

(b) “fiscal deficit” means the excess of expenditure, revenue expenditure and capital expenditure including loans, net of recoveries, over the revenue receipts and non-debt capital receipts. It is, however, made clear that for the purpose of this definition, off budget borrowings shall be treated as borrowings by the

¹For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, dated the 25th June, 2002, page 1298.

²The Act has come into force on and with effect from 5th day of May, 2003,—vide Government of Punjab, Department of Finance, Notification No. 1 (5)5302/5FE4/9866, dated the 22nd December, 2003.

