

The

Kolkata **Gazette**
 सत्यमेव जयते
Extraordinary
 Published by Authority

PHALGUNA 26]

THURSDAY, MARCH 17, 2011

[SAKA 1932]

PART IV—Bills introduced in the West Bengal Legislative Assembly; Reports of Select Committees presented or to be presented to that Assembly; and Bills published before introduction in that Assembly.

GOVERNMENT OF WEST BENGAL

LAW DEPARTMENT

Legislative

NOTIFICATION

No. 306-L.—17th March, 2011.—The Governor having been pleased to order, under rule 66 of the Rules

of Procedure and Conduct of Business in the West Bengal Legislative Assembly, the publication of the following Bill, together with the Statement of Objects and Reasons which accompanies it, in the *Kolkata Gazette*, the Bill and the Statement of Objects and Reasons are accordingly hereby published for general information:—

Bill No. 3 of 2011

**THE WEST BENGAL FISCAL RESPONSIBILITY AND
BUDGET MANAGEMENT (AMENDMENT)
BILL, 2011.**

**A
BILL**

to amend the West Bengal Fiscal Responsibility and Budget Management Act, 2010.

WHEREAS it is expedient to amend the West Bengal Fiscal Responsibility and Budget Management Act, 2010, for the purposes and in the manner hereinafter appearing;

West Ben. Act
XIV of 2010.

It is hereby enacted in the Sixty-second Year of the Republic of India, by the Legislature of West Bengal, as follows:—

Short title and commencement.

1. (1) This Act may be called the West Bengal Fiscal Responsibility and Budget Management (Amendment) Act, 2011.

(2) It shall be deemed to have come into force with effect from the 7th day of February, 2011.

*The West Bengal Fiscal Responsibility and Budget Management
(Amendment) Bill, 2011.*

(Clauses 2, 3.)

Amendment of
section 2 of West
Bengal Act XIV of
2010.

2. In section 2 of the West Bengal Fiscal Responsibility and Budget Management Act, 2010 (hereinafter referred to as the principal Act), after clause (b), the following clause shall be inserted:—

‘(ba) “debt stock” means the total debt outstanding at the beginning of the financial year *plus* the gross borrowing during the year *minus* the liabilities discharged during the year;’.

Amendment of
section 4.

3. In section 4 of the principal Act, for sub-section (2), the following sub-section shall be substituted:—

“(2) In particular and without prejudice to the generality of the foregoing provision, the State Government shall progressively reduce—

(a) debt stock to 34.3% of the Gross State Domestic Product (GSDP) within a period of five years commencing from the year 2010-2011 and ending on the 2014-2015, in the manner as mentioned below:—

Year	Maximum debt stock as <i>per centum</i> of Gross State Domestic Product (GSDP)
(1)	(2)
2010-2011	40.6
2011-2012	39.1
2012-2013	37.7
2013-2014	35.9
2014-2015	34.3

(b) revenue deficit to nil within a period of five years commencing from the year 2010-2011 and ending on the 2014-2015, in the manner as mentioned below:—

Year	Maximum revenue deficit as <i>per centum</i> of Gross State Domestic Product (GSDP)
(1)	(2)
2010-2011	3.6
2011-2012	1.6
2012-2013	1.1
2013-2014	0.5
2014-2015	0.0

(c) fiscal deficit to 3% of the Gross State Domestic Product (GSDP) within a period of four years commencing from the year 2010-2011, in the manner as mentioned below:—

Year	Maximum fiscal deficit as <i>per centum</i> of Gross State Domestic Product (GSDP)
(1)	(2)
2010-2011	3.5
2011-2012	3.5
2012-2013	3.5
2013-2014	3.0
2014-2015	3.0

*The West Bengal Fiscal Responsibility and Budget Management
(Amendment) Bill, 2011.*

(Clause 4.)

Provided that the debt stock, the revenue deficit and the fiscal deficit may exceed such limit due to the ground of such natural calamity, or such other exceptional circumstances, as the State Government may, by order published in the *Official Gazette*, specify:

Provided further that every order made under the first proviso, shall be laid, as soon as may be after it is made, before the West Bengal Legislative Assembly.”.

Repeal and savings.

4. (1) The West Bengal Fiscal Responsibility and Budget Management (Amendment) Ordinance, 2011, is hereby repealed.

West Ben. Ord. I of 2011.

(2) Notwithstanding such repeal, anything done or any action taken under the West Bengal Fiscal Responsibility and Budget Management Act, 2010, as amended by the said Ordinance, shall be deemed to have been validly done or taken under the West Bengal Fiscal Responsibility and Budget Management Act, 2010, as amended by this Act.

West Ben. Act XIV of 2010.

STATEMENT OF OBJECTS AND REASONS.

The Thirteenth Finance Commission has recommended that the facility of debt consolidation and resultant debt relief may be extended to the States on the condition to enact legislation on the subject-matter of Fiscal Responsibility and Budget Management during the award period of this Thirteenth Finance Commission and accordingly, the West Bengal Fiscal Responsibility and Budget Management Act, 2010 (West Ben. Act XIV of 2010), has been enacted and forwarded to the Government of India for consideration.

2. Further, the Ministry of Finance, Government of India, has observed—
 - (a) to incorporate specific debt reduction targets and revenue deficit targets as recommended by the Thirteenth Finance Commission to enable the Ministry to consider the debt relief measures of the State; and
 - (b) to fix the fiscal deficit target of 3.5% as *per centum* of Gross State Domestic Product (GSDP) for the year 2010-2011.
3. As the West Bengal Legislative Assembly was not in session and as it was necessary to take immediate action in the matter, an Ordinance, namely, the West Bengal Fiscal Responsibility and Budget Management (Amendment) Ordinance, 2011 (West Ben. Ord. I of 2011), was promulgated.
4. The Bill seeks to replace the said Ordinance by an Act of the State Legislature.
5. The Bill has been framed with the above objects in view.
6. There is no financial implication involved in the Bill.

KOLKATA,
The 8th March, 2011.

ASIM KUMAR DASGUPTA,
Member-in-charge.

By order of the Governor,

B. K. SRIVASTAVA,
*Secy.-in-charge to the Govt. of West Bengal,
Law Department.*