



Gazette

Kolkata

सत्यमेव जयते

Extraordinary
Published by Authority

PHALGUNA 26]

MONDAY, MARCH 17, 2025

[SAKA 1946

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. 295-L.— 17th March, 2025.—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 2025

THE WEST BENGAL FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (AMENDMENT) BILL, 2025.

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 Seventy-sixth 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, 2025.

The West Bengal Fiscal Responsibility and Budget Management (Amendment) Bill, 2025.

(Clause 2.)

(2) It shall come into force at once.

Amendment of section 4 of West Ben. Act XIV of 2010.

- **2.** In the West Bengal Fiscal Responsibility and Budget Management Act, 2010, in section 4, in sub-section (2),—
 - (1) in clause (a), at the end, the following paragraph shall be inserted:—
- "The maximum debt stock of 38% of the Gross State Domestic Product (GSDP) shall be maintained upto the end of financial year 2029-2030.";
 - (2) in clause (c), before the first proviso, the following paragraph shall be inserted:—
- "The State Government shall endeavour to ensure that the fiscal deficit as percentage of Gross State Domestic Product (GSDP) does not exceed 3% in each year upto the end of financial year 2029-2030:";
 - (3) after the second proviso, the following proviso shall be inserted:—

"Provided also that the maximum fiscal deficit as percentage of Gross State Domestic Product (GSDP) shall be 3.5% during 2024-25 only:".

STATEMENT OF OBJECTS AND REASONS.

In terms of the West Bengal Fiscal Responsibility and Budget Management Act, 2010, the present limit of fiscal deficit as percentage of Gross State Domestic Product (GSDP) is 3%.

In line with the fiscal roadmap as recommended by the 15th Finance Commission for improving the operational and economic efficiency of the power sector and promote a sustained increase in paid electricity consumption, Department of Expenditure, Ministry of Finance *vide* their letter F. No. 40(02)/PF-S/2020-21 dated 09.06.2021 has allowed the States additional annual borrowing space of 0.5% of GSDP during the first four years (2021-25) linked to performance in power sector subject to the amendment of State's fiscal responsibility law to enable additional borrowing to that effect.

This State has furnished relevant undertakings within the stipulated time frame to the Ministry of Power, Govt. of India as per the criteria to become eligible for availing additional borrowing for power sector reforms in the financial year 2024-25.

So, the total limit of fiscal deficit in the current financial year 2024-25 will be 3.5% of GSDP.

Considering that of power sector reforms, as stated and to avail Gross Borrowing Limit of 3.5% of GSDP for the State for the year 2024-25, the maximum Fiscal Deficit limit of 3% with reference to Gross State Domestic Product as imposed by the West Bengal Fiscal Responsibility and Budget Management Act, 2010 is required to be amended only for the year 2024-25.

The West Bengal Fiscal Responsibility and Budget Management (Amendment) Bill, 2025.

- 2. The West Bengal Fiscal Responsibility and Budget Management (Amendment) Bill, 2025 has been framed with the above objects in view.
- 3. There is no financial implication involved in giving effect to the provisions of the Bill.

Howrah, *The 13th March, 2025.*

CHANDRIMA BHATTACHARYA, *Member-in-charge*.

By order of the Governor,

PRADIP KUMAR PANJA, Pr. Secy. to the Govt. of West Bengal, Law Department.