

Bihar Fiscal Responsibility And Budget Management (Amendment) Act, 2010

25 of 2010

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An Act to amend the Bihar Fiscal Responsibility and Budget Management Act, 2006 to provide amendment in fiscal targets as recommended by the 13th Finance Commission for application revised roadmap for fiscal consolidation and to make fiscal responsibility and budget management process more transparent and comprehensive. Be it enacted by the Legislature of the State of Bihar in the sixty first year of the republic of India as follows:- 1. Published in Bihar Gazette (Ex. ord.) No. 522, dated 2nd August, 2010.

1. Short Title, Extent And Commencement :-

- (1) This Act may be called The Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2010.
- (2) It shall extend to the whole of the State of Bihar.
- (3) It shall come into force on such date as the State Government may, by Notification in the Official Gazette, appoint in this behalf.

2. Amendment In Section 2 Of The Bihar Act 5,2006 :-

The following new sub-section (m) after sub-section (1) of Section 2 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5,2006).

(m) Debt means amount taken by the State Government on credit

with interest.

3. Amendment In Section 3 Of The Bihar Act 5,2006 :-

Sub-section (a) of Section 3 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5,2006) shall be substituted by the following:-

"(a) for fiscal reform path the State on attaining a zero revenue deficit or revenue surplus in 2007-08 shall have to achieve a fiscal deficit of 3 percent of Gross State Domestic Product by 2011-12 and maintain such thereafter."

4. Amendment In Section 9 Of The Bihar Act 5,2006 :-

Section 9(2)(b) of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5,2006) shall be substituted by the following:- „

"1(b) in the financial year 2010-11 bring the fiscal deficit/Gross State Domestic Product ratio to 3.5 percent and it shall be 3 percent in 2011 -12 and maintain such upto year 2014-15."

5. Amendment In Section 9 Of The Bihar Act 5,2006 :-

The following new clause (£) shall be added after clause (b) of sub-section 2 of Section 9 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5,2006):-

"(c) bring Debt as percent of Gross State Domestic Product in the financial year 2010-11, 2011 -12, 2012-13, 2013-14 and 2014-15 to 48.2, 46.4, 44.6, 43.0 and 41.6 respectively."