

Chhattisgarh Fiscal Responsibility And Budget Management (Amendment) Act, 2006

15 of 2006

[31 March 2006]

CONTENTS

1. Short Title And Commencement
2. Amendment Of Section 3

Chhattisgarh Fiscal Responsibility And Budget Management (Amendment) Act, 2006

15 of 2006

[31 March 2006]

An Act to amend the Chhattisgarh Fiscal Responsibility and Budget Management Act, 2005. Be it enacted by the Chhattisgarh State Legislature in the Fifty-seventh Year of the Republic of India as follows: -- * Published in the Chhattisgarh Rajpatra (Asadharan) dated 31-3-2006 Pages 240(1-2).

1. Short Title And Commencement :-

- (1) This Act may be called the Chhattisgarh Fiscal Responsibility and Budget Management (Amendment) Act, 2006.
- (2) It shall come into force from the date of its publication in the Official Gazette.

2. Amendment Of Section 3 :-

For section 3 of the Chhattisgarh Fiscal Responsibility and Budget Management Act, 2005, the following shall be substituted namely:-

-

"3. Annual targets.--(1) By the 31st day of March, 2009, the State Government shall take appropriate measures to reduce the revenue deficit. The State shall make every endeavour to maintain nominal revenue surplus in each financial year beginning with 2005-06 but however, under no circumstance, the State should exceed revenue

deficit as below: --

2005-06 -- Rs. 253.20 crore

2006-07 -- Rs. 168.80 crore

2007-08 -- Rs. 84.4 crore

2008-09 and after. -- Zero revenue deficit.

(2) The State Government shall reduce fiscal deficit every year beginning with financial year 2005-06 by an amount atleast equivalent to one fourth of what actual fiscal deficit as a percentage of GSDP exceed 3% in the financial year 2004-05, so that fiscal deficit is brought down to not more than 3 percent of GDSP at the end of March, 2009.

(3) The State Government shall not give new guarantees, in any financial year beginning with the financial year 2005-06, in excess of 1.5 percent of GSDP in nominal terms or 0.5% of GSDP on risk weighted basis, whichever is lower.

(4) The State Government shall not assume additional total liabilities in excess of 5 percent of GSDP for any financial year beginning with 2005-06:

Provided that revenue deficit and fiscal deficit may exceed the limits specified under this section on the ground or grounds of unforeseen demands on the finances of the State Government arising out of internal disturbance and or natural calamity or such other exceptional grounds as the State Government may specify".