

Karnataka Fiscal Responsibility (Amendment) Act, 2009**6 of 2009****[18 March 2009]**

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An Act further to amend the Karnataka Fiscal responsibility Act, 2002. Whereas it is expedient further to amend the Karnataka Fiscal Responsibility Act, 2002 (Karnataka Act 16 of 2002) for the purposes hereinafter appearing; Be it enacted by the Karnataka State Legislature in the Sixtieth year of the Republic of India as follows:-

1. Short Title And Commencement :-

- (1) This Act may be called the Karnataka Fiscal Responsibility (Amendment) Act, 2009.
- (2) It shall be deemed to have come into force with effect from the 28th day of February 2009.

2. Amendment Of Section 4 :-

In the Karnataka Fiscal Responsibility Act, 2002 in section 4, in sub-section (3), after the first proviso, the following shall be inserted, namely:-

"provided further that the fiscal deficit during the year 2008-09 may exceed the limit up to 3.5 percent of estimated Gross State Domestic Product as a part of economic stimulus package. The additional market borrowings availed under the limits so relaxed shall be used for undertaking capital expenditure during the year 2008-09. As a measure of compliance an accompanying Report with

details and stating the likely impact of such capital expenditure shall be placed before both the Houses of the Legislature.