



The Goa Fiscal Responsibility and Budget Management (First  
Amendment) Bill, 2014

(Bill No. 4 of 2014)

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BILL

( As Passed In the Legislative Assembly of the State of Goa)

GOA LEGISLATURE SECRETARIAT

ASSEMBLY HALL, PORVORIM, GOA  
MARCH, 2014

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to amend the Goa Fiscal Responsibility and Budget Management Act, 2006 (Goa Act 12 of 2006).

Be it enacted by the Legislative Assembly of the State of Goa in the Sixty-fifth Year of the Republic of India as follows : -

1. Short title and commencement.- (1) This Act may be called the Goa Fiscal Responsibility and Budget Management (First Amendment) Act, 2014.

(2) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

2. Substitution of section 5 .- For section 5 of the Goa Fiscal Responsibility and Budget Management Act, 2006 (Goa Act 12 of 2006) (hereinafter referred to as the “principal Act”), the following section shall be substituted, namely:-

“ 5. Fiscal Management Targets.- In particular, and without prejudice to the generality of the foregoing provisions, the Government shall,-

- (a) reduce the revenue deficit to nil by 31<sup>st</sup> March, 2015, and adhere to it thereafter;
- (b) reduce the ratio of fiscal deficit to Gross State Domestic Product beginning from the Financial year 2013 – 14 and strive to keep / maintain within the norm of 3% ;
- (c) cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993 (Goa Act No. 16 of 1993);
- (d) ensure that by 31<sup>st</sup> March 2015, the ratio of Debt to Gross State Domestic Product is brought down to 27% , and thereafter bring it below 25% ;
- (e) undertake appropriate measures in cash management practices so as to avoid recourse to overdraft from the Reserve Bank of India .”

Provided that revenue deficit and fiscal deficit may exceed the limits specified under this section due to ground or grounds of unforeseen demands on the finances of the Government due to national security or natural calamity subject to the condition that the excess beyond limits arising due to natural calamities does not exceed the actual fiscal cost that can be attributed to the calamities:

Provided further that the ground or grounds specified in the above proviso shall be placed before the Legislative Assembly as soon as may be, after it becomes likely that such deficit amount may exceed the aforesaid limits, with an accompanying report stating the likely extent of excess, and reasons therefore”.

3. Amendment of section 6. – In sub-section (2) of section 6 of the principal Act, after clause (b), the following clause shall be inserted namely:-

“(c) the key fiscal indicators including those mentioned in section 5”.

4. Amendment of section 7.- In section 7 of the principal Act, sub-section( 4) shall be omitted.