



Legislative Assembly of the State of Goa

**The Goa State Guarantees
(Third Amendment)
Bill, 2003**

(Bill No. 9 of 2003)

AS _____
(~~Bill~~ introduced in the Legislative Assembly of Goa)

**GOA LEGISLATURE SECRETARIAT,
ASSEMBLY HALL, PORVORIM,
MARCH, 2003.**

The Goa State Guarantees (Third Amendment)
Bill, 2003

(Bill No. 9 of 2003)

A

BILL

*further to amend the Goa State Guarantees Act,
1993 (Goa Act 16 of 1993).*

BE it enacted by the Legislative Assembly of
Goa in the Fifty-fourth year of the Republic of
India as follows:—

1. *Short title and commencement.*— (1) This
Act may be called the Goa State Guarantees
(Third Amendment) Act, 2003.

2. It shall come into force at once.

2. *Amendment of section 3.*— In section 3 of
the Goa State Guarantees Act, 1993 (Goa Act
16 of 1993), in sub-section (1), for the expression
“Rs. 550.00 Crores”, the expression “Rs. 700.00
Crores” shall be substituted.

Statement of Objects and Reasons

In terms of sub-section (1) of section 3 of the Goa State Guarantees Act, 1993 (Goa Act 16 of 1993), the limit upto which the executive power of the State Government shall extend to the giving of guarantees as provided in clause (1) of Article 293 of the Constitution of India, shall be the sum of Rs. 550.00 Crores only. The Government of Goa has set up the Goa State Infrastructure Development Corporation to undertake various infrastructure related projects in the State. Some of the projects will be undertaken through private participation and will be self financing. However, other developmental works and repayment of high cost loan taken earlier by various corporations, will have to be done by taking loans from financial institutions and it will be necessary to provide Government guarantee for the same. Repayment provision for the loans taken for developmental works would be provided in the Budget as per requirement. Retirement of high cost debt would bring down the interest liability of Corporations thereby making them financially healthier.

It is, therefore, proposed to increase the limit of giving of guarantees from the present limit of Rs. 550.00 Crores to Rs. 700.00 Crores by suitably amending the said sub-section (1) of section 3 of the said Act, 1993.

This Bill seeks to achieve the above objects.

Financial Memorandum

Financial implications of the proposed Bill will arise only when Government Guarantees are invoked against the State Government, and the liability charged to the Consolidated Fund of the State.

The amount involved in such cases cannot be foreseen at this stage.

Memorandum Regarding Delegated Legislation

No delegated legislation is envisaged in this Bill.

Panaji-Goa
27-2-2003

Manohar Parrikar
Chief Minister

Assembly Hall
Porvorim-Goa
28-2-2003

S. A. Narvekar
Secretary (Legislature)

Governor's Recommendation under Article 207 of
the Constitution

In pursuance of Article 207 of the Constitution of India, I, Kidar Nath Sahani, the Governor of Goa, hereby recommend to the Legislative Assembly of Goa, the introduction and consideration of the Goa State Guarantees (Third Amendment) Bill, 2003, by the Legislative Assembly of Goa.

(KIDAR NATH SAHANI)
Governor

ANNEXURE

.....
The Goa State Guarantees Act, 1993
(Act No. 16 of 1993)
.....

Fixation of limit upto which State may give guarantees.-

- (1) The limit upto which the executive power of the State Government shall extend to the giving of guarantees including guarantees given before the commencement of this Act as provided in clause (1) of Article 293 of the Constitution of India, shall be the sum of Rs. 550.00 Crores.
- (2) The State Government shall lay before the State Legislature.-
 - (a) a statement of any guarantee given not later than 6 months from the close of each financial year.
 - (b) within 6 months after the close of any financial year.