

AS INTRODUCED IN LOK SABHA

**Bill No. 224 of 2019**

THE SPECIAL FINANCIAL ASSISTANCE TO THE STATE OF WEST  
BENGAL BILL, 2019

By

PROF. SAUGATA ROY, M.P.

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BILL

*to provide for special financial assistance to the State of West Bengal for the purpose of promoting the welfare of the Scheduled Castes, the Scheduled Tribes and Other Backward Sections of people; for the development, exploitation and proper utilization of its resources and to relieve its debt burden.*

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Special Financial Assistance to the State of West Bengal Act, 2019.

Short title and  
commencement.

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

Special  
financial  
assistance to  
the State of  
West Bengal.

**2. There shall be paid such sums of moneys out of the Consolidated Fund of India, every year, as Parliament may by due appropriation provide, as special financial assistance to the State of West Bengal to meet the costs of such schemes of development, as may be undertaken by the State with the approval of the Government of India for the purpose of promoting the welfare of Scheduled Castes, Scheduled Tribes and Other Backward Sections of people and for the development, proper utilization and exploitation of the resources in the State.** 5

Moratorium  
on interest  
payment.

**3. The State of West Bengal shall be given a moratorium on payment of interest on its outstanding debt by the Central Government for a period of three years.**

Act not in  
derogation of  
other laws.

**4. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.** 10

## STATEMENT OF OBJECTS AND REASONS

The State of West Bengal is socially and economically backward. The problems of poverty, unemployment and illiteracy are required to be addressed urgently and in a time bound manner. Measures for proper utilization of resources, welfare of weaker sections in the region and initiating new development schemes are also required to be undertaken in an expeditious and time-bound manner. The State of West Bengal has also been facing the problem of naxalite violence for a number of years. In view of its economic backwardness, the naxalites have found sympathetic elements within the population. Therefore, economic backwardness is the root cause of the naxalite problem. It is, therefore, necessary that the Central Government should provide special financial assistance to the State of West Bengal for its all-round development including the welfare of weaker sections and for the development and exploitation of its vast natural resources. Such a step of providing financial assistance to this State would go a long way in building this nation more and more strong.

Further, when the previous Government took charge in 2011, the State of West Bengal had an outstanding debt of rupees two lakh and three thousand crore. As such, the State is required to pay bulk principal and interest at the rate of rupees twenty six thousand crore a year, which is more than the revenue earnings. Therefore, the State of West Bengal also needs a moratorium on its interest repayments for a period of three years in order to overcome its financial problem.

Hence this Bill.

NEW DELHI;  
June 12, 2019.

SAUGATA ROY

## PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117(1) AND 117(3) OF THE CONSTITUTION

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[Copies of Letter No. 42(3) PF-S/2019-20 dated 25 July and 07 October, 2019 from Shrimati Nirmala Sitharaman, Minister of Finance and Corporate Affairs to the Secretary General, Lok Sabha].

- I. The President, having been informed of the subject matter of the Special Financial Assistance to the State of West Bengal Bill, 2019 by Prof. Saugata Roy, M.P., recommends consideration of the Bill by Lok Sabha under article 117(3) of the Constitution.
- II. The President, having been informed of the subject matter of the Special Financial Assistance to the State of West Bengal Bill, 2019 by Prof. Saugata Roy, M.P., recommends introduction of the Bill in Lok Sabha under article 117(1) of the Constitution.

## FINANCIAL MEMORANDUM

Clause 2 of the Bill provides that there shall be paid such sums of moneys out of the Consolidated Fund of India, every year, as Parliament may by due appropriation provide, as special financial assistance to the State of West Bengal to meet the costs of such schemes of development, as may be undertaken by the State with the approval of the Government of India.

The Bill, therefore, on enactment, will involve expenditure out of the Consolidated Fund of India for providing special financial assistance to the State of West Bengal. As the sums of moneys which will be given to the State of West Bengal as special financial assistance by appropriation by law made by Parliament will be known only after the welfare schemes to be implemented by the State Government with the approval of Government of India are identified, it is not possible to give the estimates of recurring expenditure, which would be involved out of the Consolidated Fund of India at this stage. The moratorium would not involve any outgo from the Consolidated Fund, but would only mean deferment of income.

No non-recurring expenditure is likely to be incurred from the Consolidated Fund of India.

LOK SABHA

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*(Prof. Saugata Roy, M.P.)*