

## Article 293

By IASToppers | 2024-04-05 15:15:00



## Article 293

The Supreme Court has referred to **Constitutional Bench** questions raised in the petition on the interpretation of **Article 293**.



[Ref: The Hindu]

### **About Article 293 of the Constitution:**

- **Article 293(1)** outlines the state's executive power to borrow within the territory of India, securing loans against the Consolidated Fund of the State.
  - This borrowing is subject to **limits set by the state legislature**.
- **Article 293(2)** allows the central government to loan funds to any state or provide guarantees for state loans.
  - These actions are contingent upon conditions set by **laws enacted by Parliament**.
  - The funds used for these loans are charged to the **Consolidated Fund of India**.
- **Article 293(3)** imposes restrictions on state borrowing without central government consent, specifically if the state has any outstanding loans or guarantees provided by the central government or its predecessors.
- **Article 293(4)** details that consent for borrowing under clause (3) can be subject to conditions deemed appropriate by the **central government**.