

**THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT  
(AMENDMENT) ACT, 2011**

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LAW DEPARTMENT

NOTIFICATION

The 1st February, 2012

No.1165-Legis.-19/11/L. —The following Act of the Odisha Legislative Assembly having been assented to by the Governor on the 31st January, 2012 is hereby published for general information.

ODISHA ACT 1 OF 2012

## THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (AMENDMENT) ACT, 2011

AN ACT FURTHER TO AMEND THE ORISSA FISCAL RESPONSIBILITY AND  
BUDGET MANAGEMENT ACT, 2005.

BE it enacted by the Legislature of the State of Odisha in the  
Sixty-second Year of the Republic of India as follows:—

Short title  
and  
commence-  
ment.

1. (1) This Act may be called the Odisha Fiscal Responsibility and  
*Budget Management (Amendment) Act, 2011.*

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

Amendment  
of section 2.

2. In the Orissa Fiscal Responsibility and Budget Management  
Act, 2005 (hereinafter referred to as the principal Act), after clause (b) of  
section 2, the following clause shall be inserted, namely :—

Orissa Act  
6 of 2005.

'(b-1) "Finance Commission" means the Commission constituted  
under Article 280 of the Constitution of India;'

## 3. In section 5 of the principal Act,—

- (i) in clause (a), after the words “rupees two hundred and eighty-five crores” occurring at the end, the words and figures “and after commencement of the Odisha Fiscal Responsibility and Budget Management (Amendment) Act, 2011, the revenue deficit shall be maintained at zero for the financial year, 2011-12 and for subsequent financial years” shall be inserted;
- (ii) in clause (b), after the words and figures “31st day of March, 2009” occurring at the end, the words and figures “and from financial year, 2011-12 and onwards shall contain fiscal deficit within three per cent of the estimated Gross State Domestic Product (GSDP)” shall be inserted;
- (iii) clause (c) shall be omitted;
- (iv) clause (d) shall be omitted;
- (v) sub-clause (iii) of clause (e) shall be omitted;
- (vi) in clause (f), for the words “limited to eighteen to twenty-five per cent”, the words “limited to fifteen per cent” shall be substituted;
- (vii) after clause (g), the following clause shall be inserted, namely:—
  - “(h) notify the debt GSDP ratio limit fixed by the Finance Commission and guidelines, if any, issued by the Government of India from time to time, and ensure that the debt GSDP ratio are maintained in accordance with the said limit.” ;and
- (viii) for the first and second provisos, the following provisos shall be substituted , namely:—

“Provided that the revenue deficit and fiscal deficit may exceed the limits specified under this section on ground of shortfall in the central tax devolutions in relation to the budgetary estimates of the Union of India or unforeseen demands on the finances of the State Government arising out of natural calamity or such other exceptional ground as the State Government may, by order, specify:

Provided further that a statement in respect of the ground on which the deviation has been made under the first proviso shall be placed before the State Legislature.”.

Amendment  
of section 8.

4. In section 8 of the principal Act,—

- (i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1-a) The State Government shall issue appropriate guidelines from time to time, for timely spending of budgetary grants.”;

- (ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2-a) For the purpose of ensuring compliance of the provisions of this Act, the State Government shall entrust an agency independent of the State Government interference, who shall periodically make review of such compliance and submit a report to that effect to that Government who shall cause every such report to be laid, as soon as may be after it is received, before the State Legislature.”; and

- (iii) to sub-section (5) the following proviso shall be inserted, namely:—

“Provided that where expenditure has been made by taking advance from the Orissa Contingency Fund, special supplementary statements of expenditure shall be presented in course of the year exclusively for the purpose of recoument of such advance.”.

By Order of the Governor

D. DASH

Principal Secretary to Government

