



GOVERNMENT OF ORISSA  
FINANCE DEPARTMENT

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**NOTIFICATION**

Bhubaneswar, the 05.06.2003

No.FC (II)-41/2001/23896/F. In pursuance of article 243-I of the Constitution of India read with section 3 and 8 of the Orissa Finance Commission (Miscellaneous Provision) Act, 1993, the Governor of Orissa do hereby constitute a Finance Commission consisting of Sri Trilochan Kanungo, Member of Parliament as the Chairman and the following four other members, namely: -

- |    |   |                  |
|----|---|------------------|
| 1. | Sri Nihar Ranjan Hota, IAS (Retired)<br>Ex-Principal Secretary,<br>Panchayati Raj Department. | Member           |
| 2. | Sri Prashanta Kumar Tripathy, IAS (Retired),<br>Ex-Director, L.R. & S., Orissa.               | Member           |
| 3. | Prof. Sudhakar Panda,<br>P.G. Department of Applied Economics,<br>Utkal University.           | Member           |
| 4. | Sri D.P. Das, IAS,<br>Additional Secretary,<br>General Administration Department.             | Member Secretary |

2. The Chairman and other Members of the Commission including Member-Secretary shall hold office from the date on which they, respectively, assume office up to the 30<sup>th</sup> September, 2003.

3. The Chairman and the other Members (except the Member-Secretary) shall render part time service to the Commission. The Member-Secretary shall render whole time service to the Commission in addition to his own duty.

4. The Commission shall make recommendations relating to the following matters: -

(i) The principles which should govern -

- (a) the distribution between State and Panchayati Raj institutions and the Municipalities of the net proceeds of taxes, duties, tolls and fees leviable by the State which may be divided amongst them under Part-IX and Part-IXA of the Constitution and the allocation between the Panchayats at all levels and the Municipalities of their respective shares of such proceeds,
- (b) the determination of taxes, duties, tolls and fees which may be assigned to, or appropriated by Grama Panchayats, Panchayat Samitis and Zilla Parishads or, as the case may be, Municipalities, and
- (c) the grants-in-aid to the Grama Panchayats, Panchayat Samities, Zilla Parishads or, as the case may be, Municipalities from the Consolidated Fund of the State;

(ii) The measures needed to improve the financial position of the Gram Panchayats, Panchayat Samitis, Zilla Parishads and Municipalities.

- (iii) Or any other matter, which the Governor may refer to the Commission in the interest of sound finance of Gram Panchayats, Panchayat Samities, Zilla parishads and Municipalities.
5. In making its recommendations, the Commission shall have regard, among other considerations, to: -
- (a) the revenue proceeds of the State Government and the demands thereon, on account of expenditure on Civil Administration, Police and Judicial Administration, Education, Maintenance of Capital assets, Social Welfare, Debt Servicing and other committed expenditures and liabilities;
  - (b) the functions and liabilities of Panchayati Raj Institutions and, Municipalities in respect of discharging and implementing the schemes entrusted to them under articles 243 G and 243 W of the Constitution;
  - (c) the revenue resources of Panchayati Raj Institutions and Municipalities at all levels for five years, commencing from the 1<sup>st</sup> April, 2005 on the basis of levels of taxation reached in 2001-2002, target set for additional resource mobilization and potential for mobilizing additional resources;
  - (d) the scope for better fiscal management consistent with the need for speed, efficiency and cost effectiveness of delivery of services; and
  - (e) the need for providing adequate incentive for better resource mobilization as well as closely linking expenditure and revenue raising decisions.
6. The report of the Commission shall contain specific chapters, narrating:
- (i) the approach adopted by it,
  - (ii) an analysis of the resources of the State Government, and,
  - (iii) an analysis of the resources of Panchayats at each level and also Municipalities at each level.
7. On the matters aforesaid, the Commission shall make its report by 30.9.2003 covering a period of five years commencing from the 1<sup>st</sup> day of April 2005.
8. The Commission shall indicate the basis on which it has arrived at its findings.

**By order of the Governor**

**A.K. Tripathy  
Principal Secretary to Government**

**Memo No.23897/F., Dated 5.6.03**

Copy forwarded to the Director, Printing, Stationery and Publication, Orissa, Madhupatna, Cuttack for publication of the notification in an extra-ordinary issue of the Orissa Gazette today.

This notification is statutory.

He is requested to supply 200 copies of the notification to the Government in Finance Department immediately.

**Sd/-  
Additional Secretary to Government**

**Memo No.23898 (230)/F., Dated 5.6.03**

Copy forwarded to all Secretaries/Heads of Departments for information and necessary action.

**Sd/-  
Additional Secretary to Government**

**Memo No.23899 (5)/F.,**

**Dated 5.6.03**

Copy forwarded to

1. Sri Trilochan Kanungo, Member of Parliament (Lok Sabha)
2. Sri Nihar Ranjan Hota, IAS (Retired), Ex-Principal Secretary, Panchayati Raj Department.
3. Sri Prashanta Kumar Tripathy, IAS (Retired), Ex-Director, L.R. & S., Orissa.

4. Prof. Sudhakar Panda, P.G. Department of Applied Economics, Utkal University.
5. Sri D.P. Dash, IAS. Additional Secretary, General Administrative Department.

for information and necessary action.

**Sd/-**  
**Additional Secretary to Government**

**Memo No.23900 (30)/F.,**

**Dated 5.6.03**

Copy forwarded to all Collectors of the State for favour of information and necessary action.

**Sd/-**  
**Additional Secretary to Government**

**Memo No.23901/F.,**

**Dated 5.6.03**

Copy forwarded to General Administration Department for information and necessary action.

**Sd/-**  
**Additional Secretary to Government**