

**STATE FINANCE COMMISSION
GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 15243 /F, Date 17.05.2025
FIN-BUD6-SFC-0065-2025

From

**Dr. Satya Priya Rath, IAS
Member Secretary**

To

The Sarpanch of All Gram Panchayats of Odisha

Sub: Submission of suggestions/ memorandums to the State Finance Commission

Madam/Sir,

In pursuance of Article 243-I and Article 243-Y of the Constitution of India read with section 3 and 8 of the Odisha Finance Commission (Miscellaneous Provisions) Act, 1993 (Odisha Act 28 of 1993), Honorable Governor of Odisha has constituted the Sixth State Finance Commission under the chairmanship of Dr. Arun Kumar Panda, IAS (R). The Commission is now functioning inside the Loka Seva Bhawan in the Annex Building of Finance Department. The Commission has been given the mandate to recommend principles as mentioned below after taking into consideration the revenue proceeds of the State Government and the demands thereon on account of expenditure of Civil, Administrative, Police and Judicial Administration, Education, Health, Maintenance of Capital Assets, Social Welfare, Debts and Receipts and other committed Expenditure and Liabilities, in addition to the liabilities of Panchayati Raj Institutions and Urban Local Bodies in respect of discharging and implementing the schemes entrusted to them under 243-G and 243-W of the constitution;

- (i) (a) the distribution between State and Panchayati Raj Institutions and Urban Local Bodies (Municipal Corporation, Municipalities, NACs) 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 3-tier Panchayati Raj Institutions and Urban Local Bodies of their respective shares of such proceeds,
- (b) the determination of taxes, duties, tolls and fees which may be assigned to, or appropriated by 3-tier Panchayati Raj Institutions and Urban Local Bodies and
- (c) the grants-in-aid to the Gram Panchayats, Panchayat Samitis, Zilla Parishads or, as the case may be Urban Local Bodies (or Municipal Corporations, Municipalities, NACs) from the Consolidated Fund of the State;

- (ii) The measures needed to improve the financial condition of the Gram Panchayats, Panchayat Samitis, Zilla Parishads and Urban Local Bodies.
- (iii) Or any other matter, which the Hon'ble Governor may refer to the Commission in the interest of sound finance of Gram Panchayats, Panchayat Samitis, Zilla Parishads and Urban Local Bodies.

Since the report is to be submitted within a very short time, the Commission appeals for your suggestions on the present functioning of Panchayati Raj Institutions for enhancing their efficiency, strengthening their resource base and improving the processes of the system for better delivery of public service. Your suggestions may kindly be sent to the following address by 20.06.2025. This would be beneficial to the Commission to formulate the principles for devolution of funds to the above bodies and for improvement of the working of Urban Local Bodies and Panchayati Raj Institutions.

With regards,

Yours sincerely



(Dr. Satya Priya Rath)

Address:

Member Secretary
State Finance Commission, Odisha,
Finance Department, Annex Building.
Email- odisha6thsfc@gmail.com / sfc@odisha.gov.in

Website: <https://sfc.odisha.gov.in>