

ODISHA ACT 11 OF 2021
THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT
(AMENDMENT) ACT, 2021

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The Odisha Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No. 742, CUTTACK, THURSDAY, MAY 13, 2021/BAISAKHA 23, 1943

LAW DEPARTMENT

NOTIFICATION

The 13th May, 2021

No.5202—I-Legis-7/2021/L.— The following Act. of the Odisha Legislative Assembly having been assented to by the Governor on the 3rd May, 2021 is hereby published for general information.

ODISHA ACT. 11 OF 2021

THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (AMENDMENT) ACT, 2021

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ACT

FURTHER TO AMEND THE ODISHA FISCAL
RESPONSIBILITY AND BUDGET
MANAGEMENT ACT, 2005

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

Short title and
commencement.

1. (1) This Act may be called the Odisha Fiscal Responsibility and Budget Management (Amendment) Act, 2021.

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

Amendment of
Section 5.

2. In the Odisha Fiscal Responsibility and Budget Management Act, 2005, after the fifth proviso to Section 5, the following provisos shall be inserted, namely: -

“Provided also that the State Government shall avail additional Borrowing Limit of up to 2 per cent of GSDP, over and above the fiscal deficit target fixed in clause (b) during the financial year 2020-21 to

Odisha Act 6 of
2005.

counter the unprecedented negative impact of Covid-19 pandemic on the resources of the State Government, and to use additional resources to fight the pandemic and maintain the standards of service delivery to the public and the said additional borrowing of 2 *per cent* of GSDP shall include unconditional borrowing of 1 *per cent* and balance 1 *per cent* on implementation of following reforms, each of which is assigned with weightage of 0.25 *per cent* of GSDP, namely: –

- (i) Implementation of One Nation One Ration Card System;
- (ii) Ease of doing business reform;
- (iii) Urban Local Body or Utility reforms; and
- (iv) Power Sector reforms:

Provided also that out of the additional borrowing limit of 2 *per cent* of GSDP allowed during the financial year 2020-21, the State Government shall carry forward unutilized borrowing ceilings to the next financial year in the following manner, -

- (i) the unconditional borrowing of 1% shall be carried forward unconditionally; and
- (ii) the reform-linked conditional borrowing of 1% shall be carried forward, if the State meets the reform criteria within the stipulated dates:

Provided also that State Government shall avail additional borrowing from the Central Government during 2020-21 under the Special Window towards the GST Compensation Shortfall, and debt servicing shall be met out of the Compensation Fund of the Central Government during and after the transition period. This borrowing shall be allowed over and above all limits prescribed for fiscal deficit debt stock:

Provided also that State Government shall avail 50-year interest free loan under the “Scheme for Special Assistance to States for Capital Expenditure” of the Central Government during 2020-21 for financing infrastructure projects of the State. This borrowing shall be allowed over and above all limits prescribed for fiscal deficit debt stock”.

By Order of the Governor
 RADHA KRISHNA PATTANAIK
 Principal Secretary to Government