Administration and finance are as inseparable as a body and the heart. All administrative acts involve expenditure of money, at least for hiring the necessary personnel to carry out the tasks. Finance fuels the administrative engine. Without it, the latter cannot operate. Hence, foremost attention is paid to the treasury.

Sound fiscal management is of vital importance to Government. As revenue is derived even from the humblest citizen, it is morally incumbent upon the Government to spend money more efficiently and economically. Improvident financial management alienates the people from the Government, ultimately endangering the latter's existence. In democracy, there should be an unmistakable urge to evolve sound financial management, for people tend to identify extravagance and other is practices, which consequently, stand discredit in their eyes. Unsound financial administration may blast the prospects of democracy itself. There is yet another factor which had added considerable significance to financial administration today. The unprecedented increase in Government expenditure in modern times makes, it absolutely necessary that sound principles, tools and techniques of financial administration are evolved and employed by all Governments. Further, the method and style of financial administration do influence and even condition the socio-economic behaviour of the people and is at the core of modern Government.
The budget is one of the principal tools of administration in addition to being the most powerful instrument of legislative control and of executive management. Admittedly, one of the aspects of financial administration, i.e., budgeting, involves the largest number of policy questions in the course of making fiscal decisions.

The purpose of the present work is to analyse the budgetary policy of Government of Orissa and to find out whether there is any continuity or change in the budgetary policies during the period 1970-71 to 1984-85. Purposefully we have selected this period our study because during this period as many as six Chief Ministers of different political colour and three Finance Ministers were involved in the budget making process.

For our purpose, we have adopted the methodology of content analysis. The "Policy Objectives" are culled out from the pre-budgetary speeches of the Governor and budget speeches of Finance Minister. How far these objectives are implemented in actual practice are examined and necessary care has been taken to evaluate the process of implementation in terms of political and economic environment.

The cyclic Linkage Model of Robert Nakamura and Frank Small Wood with modification has been used as the framework of our analysis. The reasons for modification is given in Chapter-II and Chapter IV of this thesis.

In course of analysis, no significant change is noticed in the budgetary policies, though there were frequent changes of Government. Despite varied promises, No Government has made adequate financial provisions to implement
and attain their own study showed that Political Stability and efficient budgetary policy objectives are not absolutely co-related. For example, J.B.Patnaik completed his full term of five years as Chief Minister. Though there was political stability, the Ministry was unable to make a sound and efficient budgetary policy in keeping tune with growing demands of welfareism.

Further it is noticed that there was frequent change of Ministries, hence bureaucracy played a vital role in formulating as well as implementing the budgetary policy.

Apart from the limitation of time, the researcher has experienced difficulties in getting the necessary data from the Government agencies. Despite these limitations, a broad canvas is provided to paint on the whole, the budgetary policies and processes of Orissa Government, which would provide, it is hoped, an insight into different stages and aspects policy process of Orissa Budgets.