



# ACCOUNTS AT A GLANCE 2012-13



**GOVERNMENT OF ODISHA**



## PREFACE

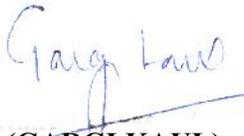
This is the fifteenth issue of our annual publication “**Accounts at a Glance**”.

The Annual Accounts of the State Government are prepared and examined under the direction of Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statement of accounts under the Consolidated Fund, the Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Accountant General (Accounts and Entitlement) prepares the State Finance Accounts and the Appropriation Accounts.

“Accounts at a Glance” provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. These figures have been adopted from the Finance and Appropriation Accounts of Government of Odisha. In case of difference, the figures depicted in the Finance and Appropriation Accounts may be treated as correct.

We look forward to suggestions that would help us in improving the publication.

**BHUBANESWAR**  
**The 19<sup>th</sup> September 2013**

  
**(GARGI KAUL)**  
**Principal Accountant General (A&E)**



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## Chapter I

### OVERVIEW

#### 1.1. Introduction

The Principal Accountant General (Accounts and Entitlements), Odisha compiles the accounts of receipts and expenditure of the Government of Odisha. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. In addition the Principal Accountant General (A&E) prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after being duly checked by the Accountant General (G & SSA), Odisha and certification by the Comptroller and Auditor General of India.

#### 1.2. Structure of Accounts

##### 1.2.1. Government Accounts are kept in three parts:

<b>Part I</b> <b>CONSOLIDATED FUND</b>	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances, Inter State Settlement and Appropriation to Contingency Fund.
<b>Part II</b> <b>CONTINGENCY FUND</b>	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped either by transferring the debit during the same financial year or by a fresh debit to the Consolidated Fund in the next financial year.
<b>Part III</b> <b>PUBLIC ACCOUNT</b>	Comprises Small Savings & Provident Funds, Reserve Funds, Deposits & Advances, Suspense and Remittances transactions. While Small Savings & Provident Funds, Reserve Funds and Deposits represent repayable liabilities of the Government, the Advances represent receivables of the Government. Suspense and Remittances transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

### 1.3. Finance Accounts and Appropriation Accounts

#### 1.3.1. Finance Accounts

The Finance Accounts depict the Accounts of receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, accounts of the public debts and liabilities and assets as worked out from the balances as recorded in the Accounts. The Finance Accounts have been issued in two volumes, to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains other summarized statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the Government of Odisha as depicted in the Finance Accounts 2012-13 are given below:

(₹ in crore)			
<b>Receipts</b> Total : 4,40,76	<b>Revenue</b> Total : 4,39,37	Tax Revenue	2,89,99
		Non Tax Revenue	80,78
		Grants-in-Aid	68,60
	<b>Capital</b> Total : 1,39	Recovery of Loans and Advances	1,42
		Borrowings and other Liabilities*	(-)03
<b>Disbursements</b> Total : 4,40,76	<b>Revenue</b>		3,82,38
	<b>Capital</b>		56,22
	<b>Loans and Advances</b>		2,16

\* Borrowings and other Liabilities; Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

This year, the Government of India directly released ₹38,92 crore ( ₹62,29 crore last year) to the State Implementing Agencies/NGOs for implementation of various schemes and programmes. Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are exhibited in Appendix VII of Volume II of the Finance Accounts.

**1.3.2. Appropriation Accounts**

The Appropriation Accounts depict the expenditure of the State Government against amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 4 charged Appropriations and 40 voted Grants.

The Appropriation Acts, 2012-13, had projected for gross expenditure of ₹5,66,88 crore and reduction of expenditure (recoveries) of ₹8,66 crore. Against this, the actual gross expenditure was ₹4,73,52 crore and reduction of expenditure was ₹96 crore, resulting in net savings of ₹93,36 crore (16.47 per cent) and an excess-estimation of ₹7,70 crore (89 per cent) on reduction of expenditure. The gross expenditure includes ₹74 crore drawn on Abstract Contingent (AC) Bills, out of which receipt of Detailed Contingent (DC) Bills for ₹35 crore still outstanding at the end of the year.

During 2012-13, no amount was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD accounts, which remain inoperative for three full financial years after the year of last transactions, are to be transferred back to the Consolidated Fund.

**1.4. Sources and Application of Funds****1.4.1. Ways and Means Advances**

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹1,28 lakh) maintained with the RBI. During 2012-13, the Government of Odisha did not resort to OD facilities and has not availed of WMA.

**1.4.2. Fund Flow statement**

The State had a Revenue Surplus of ₹56,99 crore and a Fiscal Surplus of ₹03 crore representing 2.20 per cent and 0.001 per cent of the State Gross Domestic Product (GSDP)<sup>1</sup>. The Fiscal Surplus constituted 0.007 per cent of total expenditure. Around 41.65 per cent of the revenue receipts (₹1,83,01 crore) of the State Government was spent on committed expenditure like salaries (₹96,15 crore), interest payments (₹33,07 crore) and pensions (₹53,79 crore).

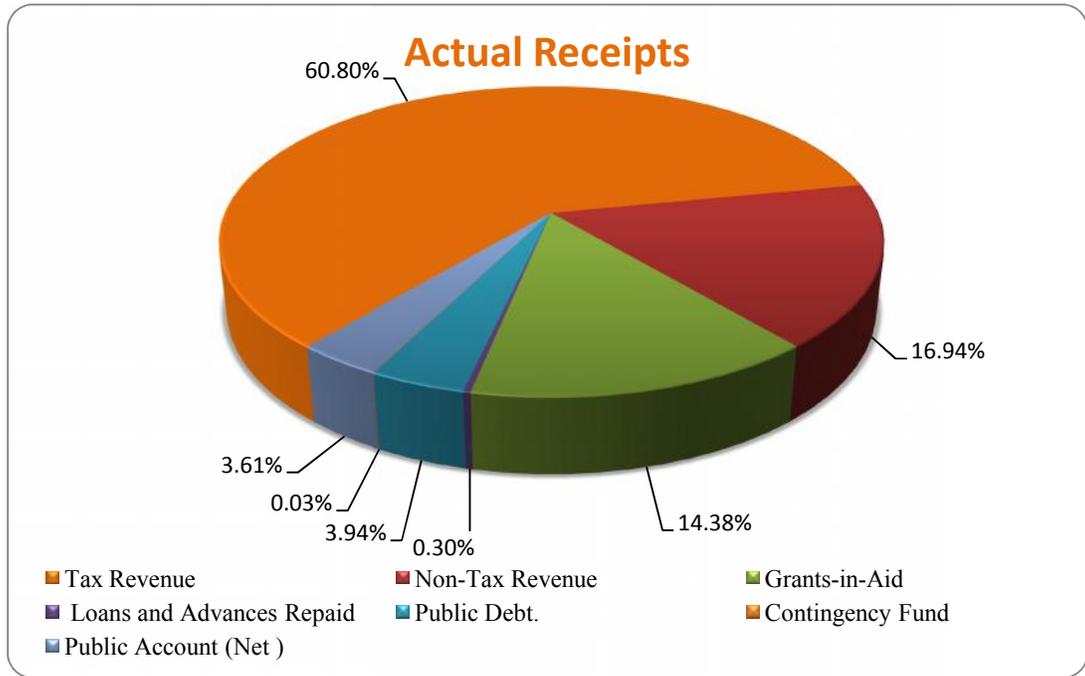
## Sources and Application of Funds

(₹ in crore)

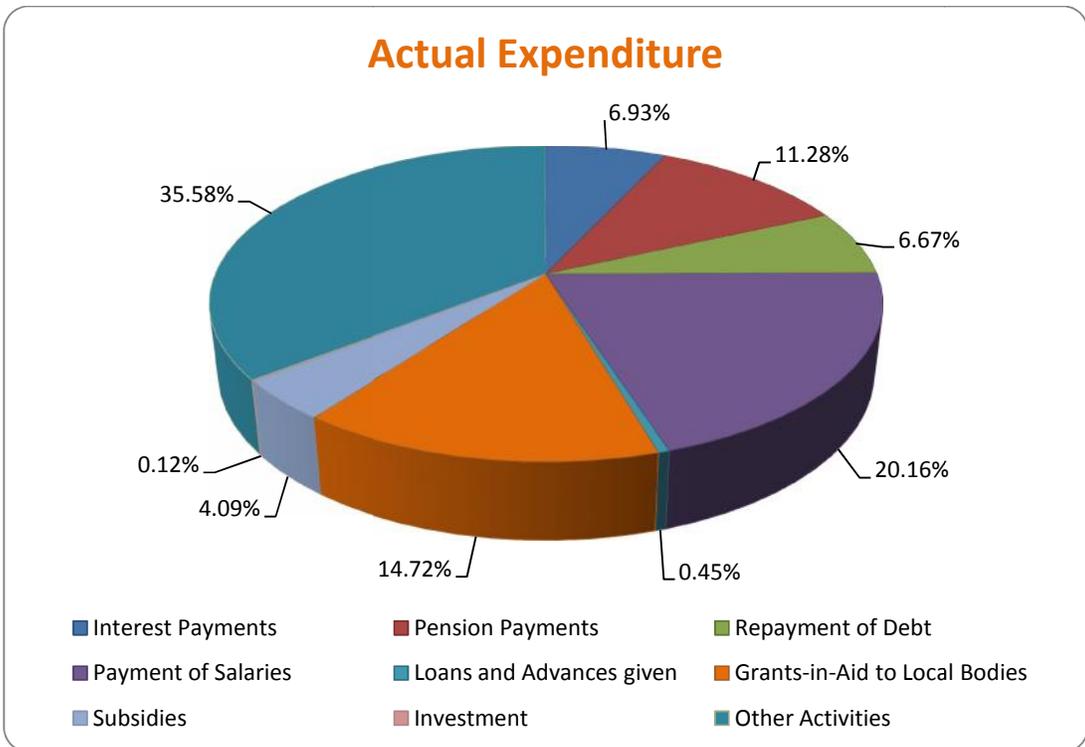
	PARTICULARS	AMOUNT	
SOURCES	Opening Cash Balance as on 01.04.2012	(-) 4,65	
	Revenue Receipts	4,39,37	
	Loans & Advances repaid	1,42	
	Public Debt	18,79	
	Small Savings Provident Fund & Others	30,01	
	Reserves & Sinking Funds	9,39	
	Deposits Received	63,69	
	Civil Advances Repaid	1,67	
	Suspense Account	11,24,63	
	Remittances	85,41	
	Contingency Fund	16	
		<b>TOTAL</b>	<b>17,69,89</b>
	APPLICATION	Revenue Expenditure	3,82,38
		Capital Expenditure	56,22
Loans & Advances given		2,16	
Repayment of Public Debt		31,80	
Small Savings Provident Fund & Others		23,10	
Reserves & Sinking Funds		10,46	
Deposits Spent		47,75	
Civil Advances Given		1,67	
Suspense Account		11,29,23	
Remittances		85,36	
Contingency Fund		0	
Closing Cash Balance as on 31 .3.2013		-24	
		<b>TOTAL</b>	<b>17,69,89</b>

<sup>1</sup> GSDP for 2012-13 is ₹25,87,44 crore (Advance Estimate) as intimated by Finance Department, vide their letter dated. 20.04.2013.

1.4.3. Where the ₹ came from



1.4.4. Where the ₹ went



1.5. Highlights of Accounts

	B.E	Actuals	Percentage	Percentage
	2012-13		of actuals	of actuals to
	(₹ in crore)		to B.E	GSDP (b)
1. Tax Revenue(a)	2,90,91	2,89,99	100	11
2. Non-Tax Revenue	52,00	80,78	155	3
3. Grants-in-aid & Contributions	95,52	68,60	72	3
<b>4. Revenue Receipts (1+2+3)</b>	<b>4,38,43</b>	<b>4,39,37</b>	<b>100</b>	<b>17</b>
5. Recovery of Loans and Advances	2,40	1,42	59	0.05
6. Borrowings & other Liabilities (e)	47,52	(-) 03	-	-
<b>7. Capital Receipts (5+6)</b>	<b>49,92</b>	<b>1,39</b>	<b>3</b>	<b>0.05</b>
<b>8. Total Receipts(4+7)</b>	<b>4,88,35</b>	<b>4,40,76</b>	<b>90</b>	<b>17</b>
<b>9. Non-Plan Expenditure (d)</b>	<b>3,11,55</b>	<b>2,67,39</b>	<b>86</b>	<b>10</b>
10. NPE on Revenue Account	3,10,15	2,66,45	86	10
11. NPE on Interest Payments out of 10	45,12	33,07	73	
12. NPE on Capital Account	1,40	94	67	-
<b>13. Plan Expenditure (f)</b>	<b>1,76,80</b>	<b>1,73,37</b>	<b>98</b>	<b>7</b>
14. PE on Revenue Account	1,04,17	1,15,93	111	4
15. PE on Capital Account	72,63	57,44	79	2
<b>16. Total Expenditure (9+13)</b>	<b>4,88,35</b>	<b>4,40,76</b>	<b>90</b>	<b>17</b>
17. Revenue Expenditure (10+14)	<b>4,14,32</b>	<b>3,82,38</b>	<b>92</b>	<b>15</b>
18. Capital Expenditure (12+15) (c)	<b>74,03</b>	<b>58,38</b>	<b>79</b>	<b>2</b>
19. Revenue Surplus (4-17)	<b>24,11</b>	<b>56,99</b>	<b>236</b>	<b>2</b>
<b>20. Fiscal Surplus (4+5-16)</b>	<b>(-) 47,52</b>	<b>03</b>	<b>-</b>	<b>-</b>

- (a) Includes State's share of Union Taxes of ₹1,39,65 crore
- (b) GSDP during the year is ₹25,87,44 crore (Advance Estimate) as intimated by Finance Department.
- (c) Expenditure on Capital Account includes Capital Expenditure (₹56,22 crore) and Loans and Advances disbursed (₹2,16 crore).
- (d) Non-Plan Expenditure includes Revenue Expenditure (₹2,66,45 crore) Capital Expenditure (₹19 crore) and Loan & Advances disbursed (₹75 crore).
- (e) Borrowings and other Liabilities include net of Public Debt [₹(-)13,00 crore] net of Contingency Fund (₹16 crore), net of Public Account (₹17,22 crore) and net of Opening & Closing Balance [₹(-) 4,41 crore].
- (f) Plan Expenditure includes Revenue Expenditure (₹1,15,93 crore), Capital Expenditure (₹56,03 crore) & Loans & Advances disbursed (₹1,41 crore).

## 1.6. What do the Deficits and Surpluses indicate?

<b>Deficit</b>	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
<b>Revenue Deficit/Surplus</b>	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
<b>Fiscal Deficit/Surplus</b>	Refers to the gap between Total Receipts (excluding Fiscal borrowings) and Total Expenditure. This gap Deficit/Surplus, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

Revenue Deficit/Surplus, Fiscal Deficit/Surplus are the major yardsticks for judging the Fiscal performance of the Government. As per the recommendation of the 12<sup>th</sup> Finance Commission, the Government of Odisha enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005.

The Act provides for the responsibility of the State Government to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit and sustainable Debt management consistent with fiscal stability.

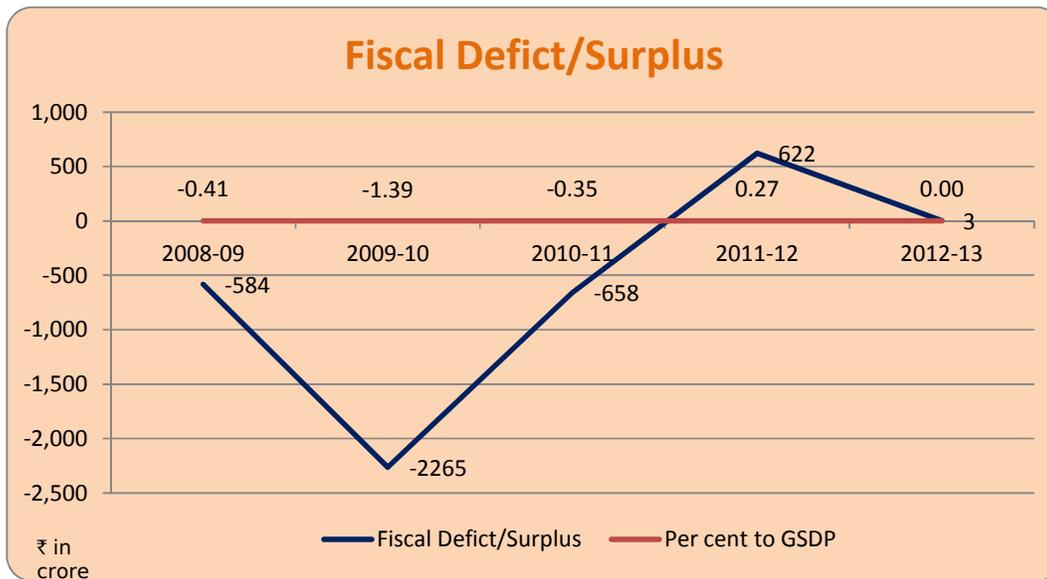
The State Govt. has amended the FRBM (Amendment) Act, 2005 on the basis of recommendations of the 13<sup>th</sup> Finance Commission. The FRBM (Amendment) Act., 2011 has made it mandatory for the State to generate revenue surplus, contain the fiscal deficit within 3 per cent of GSDP, achieve Debt/GSDP ratio at Finance Commission recommended level and put in place a monitoring mechanism on implementation of FRBM Act.

The State Govt. has achieved Revenue surplus since 2005-06 and there has been an upward trend from 2009-10. There has been a fiscal surplus of ₹ 3 crore during the year as compared to fiscal Surplus of ₹6,22 crore during the previous year.

1.6.1. Trend of Revenue Surplus.



1.6.2. Trend of Fiscal Deficit.

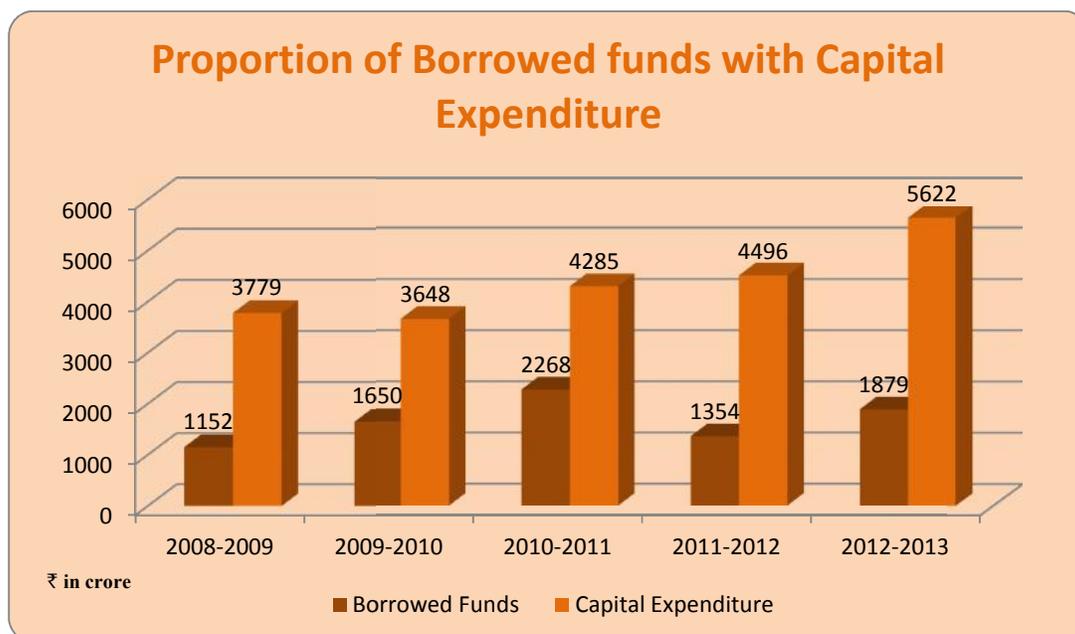


**1.6.3. Proportion of borrowed funds spent on Capital expenditure.**

It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. As the State Govt. have achieved revenue surplus with effect from 2005-06 which is continuing till 2012-13, it is apparent that the borrowed funds have been utilized for creation of capital assets during the above period. The statement is furnished below: -

(₹ in crore)

	<b>Borrowed Funds</b>	<b>Capital Expenditure</b>
2008-09	11,52	37,79
2009-10	16,50	36,48
2010-11	22,68	42,85
2011-12	13,54	44,96
2012-13	18,79	56,22



**Chapter II**

**RECEIPTS**

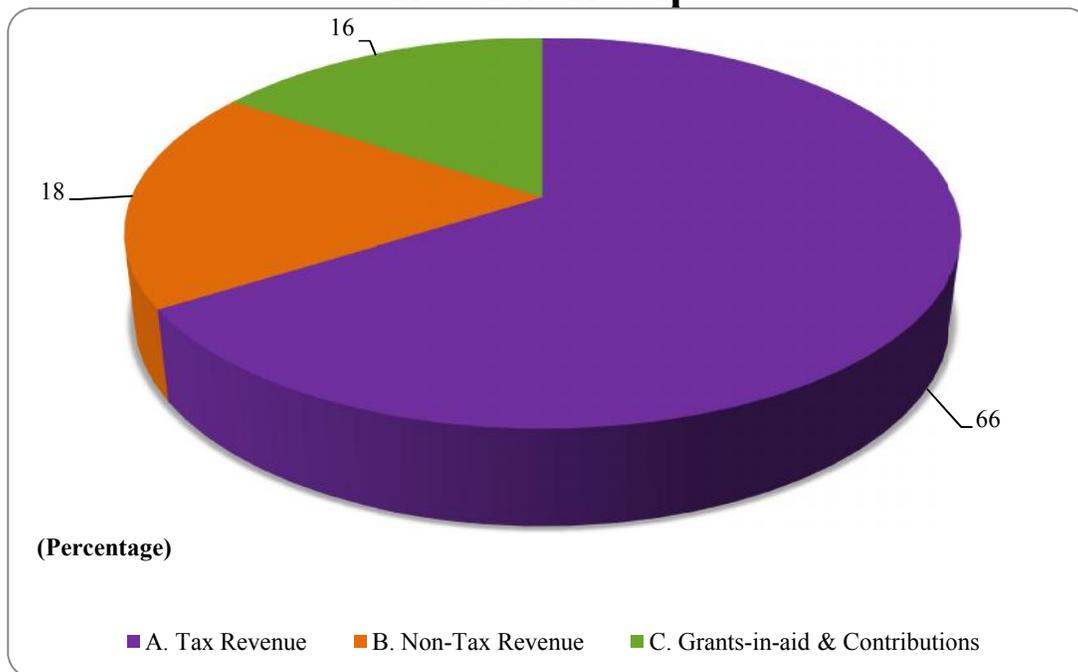
**2.1. Introduction**

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts of Government of Odisha for 2012-13 were ₹4,40,76 crore.

**2.2. Revenue Receipts**

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State’s share of Union taxes under Article 280(3) of the Constitution.
<b>Non- Tax Revenue</b>	Includes interest receipts, dividends, profits etc.
<b>Grants-in-Aid</b>	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes ‘External Grant Assistance’ and ‘Aid Materials & Equipments’ received from foreign Governments and channelized through the Union Government. In turn, the State Governments give Grants- in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.

**Revenue Receipt**



Components of Revenue Receipts

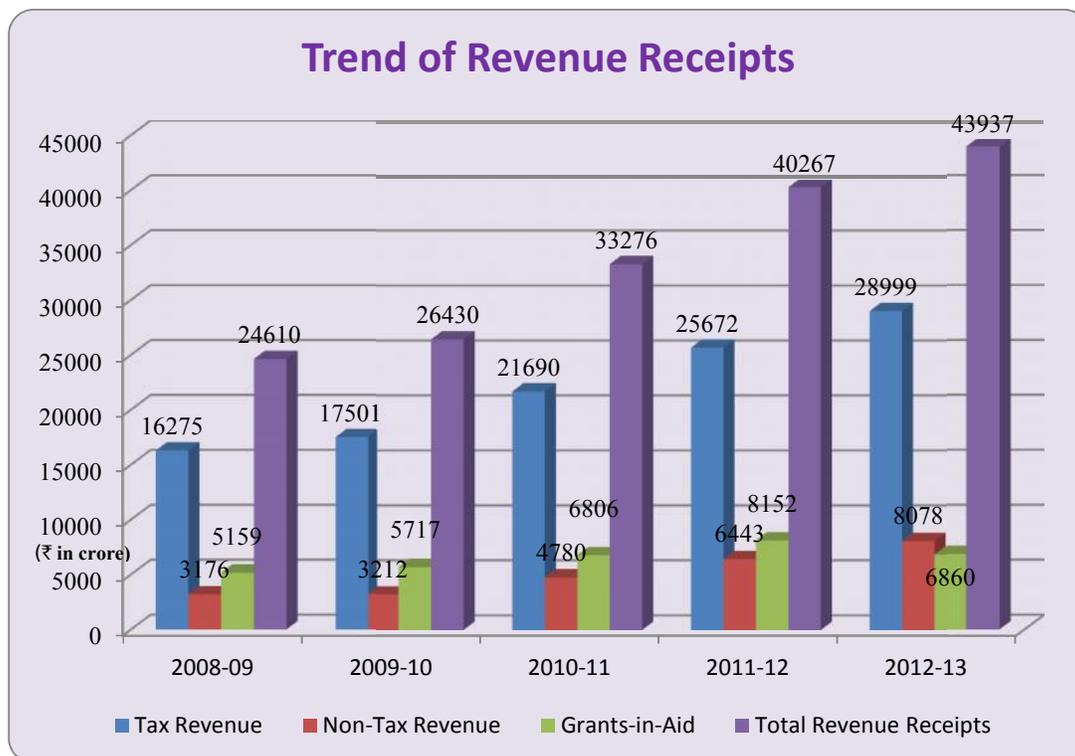
Components	Actuals (₹ in crore)	Per cent to Total Revenue
<b>A. Tax Revenue</b>	<b>2,89,99</b>	<b>66</b>
Taxes on Income & Expenditure	81,55	19
Taxes on Property & Capital Transactions	9,74	2
Taxes on Commodities & Services	1,98,70	45
<b>B. Non-Tax Revenue</b>	<b>80,78</b>	<b>18</b>
Interest Receipts, Dividends and Profits	11,53	3
General Services	3,63	1
Social Services	1,91	-
Economic Services	63,71	14
<b>C. Grants-in-aid &amp; Contributions</b>	<b>68,60</b>	<b>16</b>
<b>Total - Revenue Receipts</b>	<b>4,39,37</b>	<b>100</b>

2.3. Trend of Receipts

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Tax Revenues	162,75	1,75,01	2,16,90	2,56,72	2,89,99
Non-Tax Revenues	31,76	32,12	47,80	64,43	80,78
Grants in Aid	51,59	57,17	68,06	81,52	68,60
Total Revenue Receipts	246,10	2,64,30	3,32,76	4,02,67	4,39,37
GSDP	14,84,91	16,37,27	19,50,28	22,62,36	25,87,44
					(A)

(A)– Advance Estimate

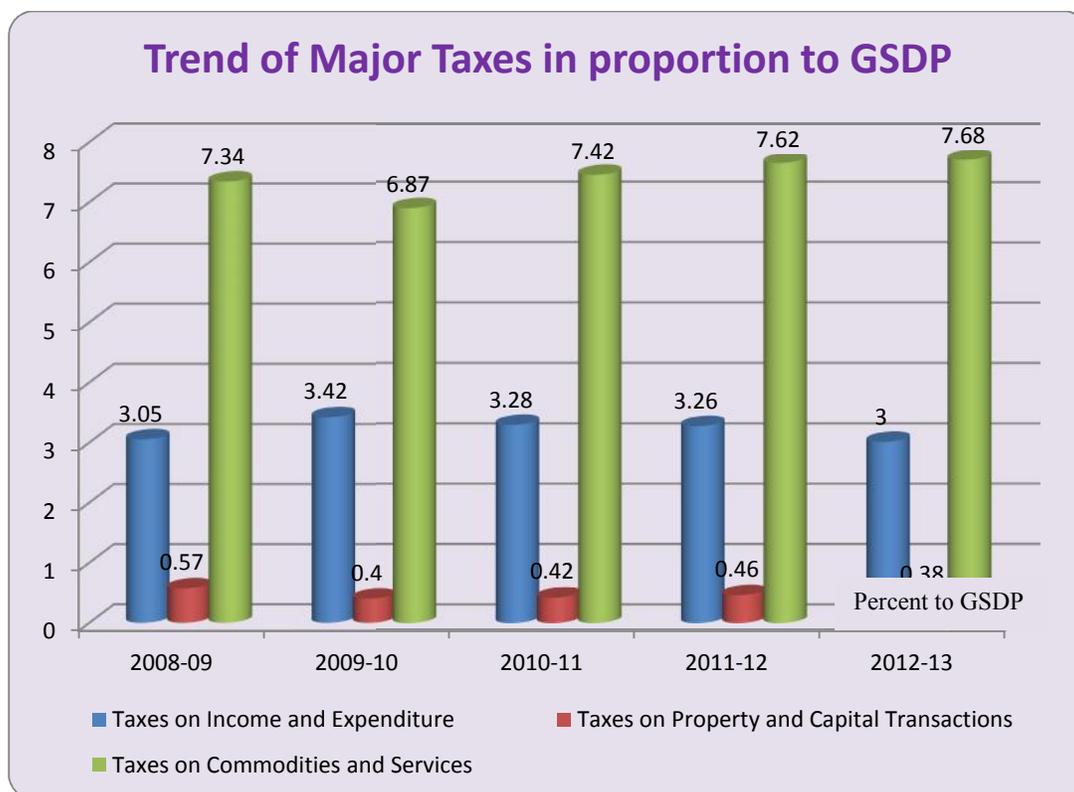


The GSDP increased by 14 per cent between 2011-12 and 2012-13 and growth in revenue collection was 9 per cent. While tax revenues increased by 13 per cent, non-tax revenues increased by 25 per cent. Major contributor to revenue was ₹96,85 crore (3.74 per cent of GSDP) under Taxes on Sales, Trades etc & Corporation Tax ₹50,16 crore (2 per cent of GSDP)

#### Sector-wise Tax Revenue

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
i) Taxes on Income and Expenditure	45,32	55,94	64,04	73,86	81,55
ii) Taxes on Property and Capital Transactions	8,47	6,60	8,15	10,38	9,74
iii) Taxes on Commodities and Services	1,08,96	1,12,47	1,44,71	1,72,48	1,98,70
<b>Total Tax Revenues</b>	<b>1,62,75</b>	<b>1,75,01</b>	<b>2,16,90</b>	<b>2,56,72</b>	<b>2,89,99</b>



#### 2.4. Performance of State's own tax revenue collection

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	Percentage to GSDP
(₹ in crore)				
2008-09	1,62,75	82,80	79,95	5.38
2009-10	1,75,01	85,19	89,82	5.49
2010-11	2,16,90	1,04,97	1,11,92	5.73
2011-12	2,56,72	1,22,29	1,34,43	5.94
2012-13	2,89,99	1,39,65	1,50,34	5.81

## 2.5. Efficiency of Tax Collection

## A. Taxes on Properties and Capital Transactions

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Collection	8,47	6,60	8,15	10,38	9,74
Expenditure on Collection	2,11	2,89	3,23	2,96	3,26
Per cent Efficiency of Tax Collection	24.91	43.79	39.83	28.51	33.47

## B. Taxes on Commodities and Services

(₹ in crore)

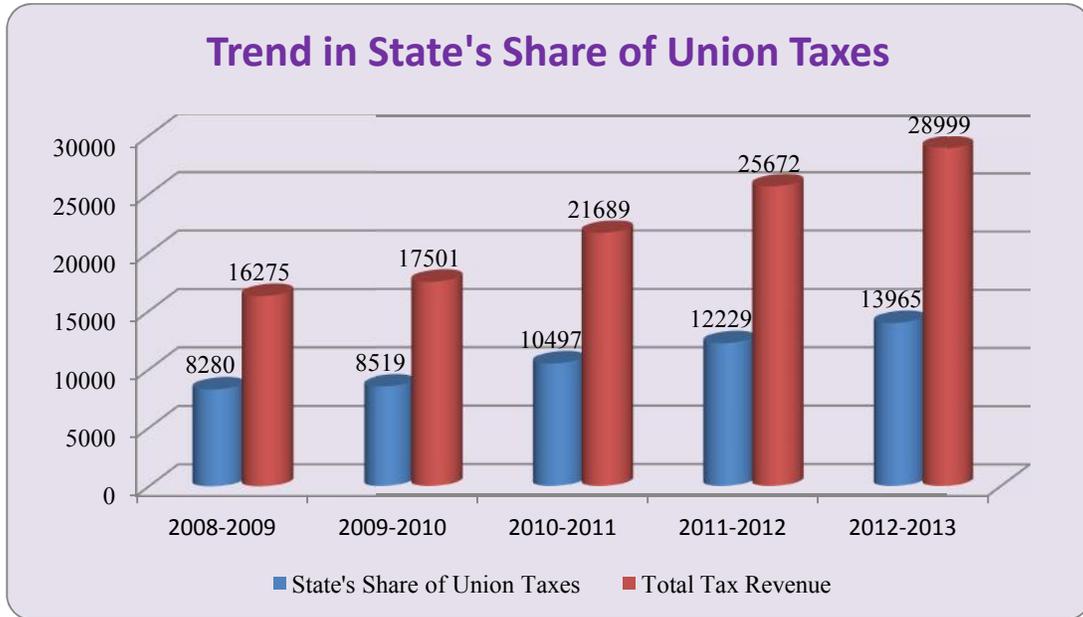
	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Collection	1,08,96	1,12,47	1,44,70	1,72,48	1,98,70
Expenditure on Collection	1,06	1,19	1,46	1,39	1,49
Per cent of Efficiency of Tax Collection	0.97	1.06	1.01	0.80	0.75

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency has increased marginally as compared to the previous year (2011-12). However, collection efficiency of Taxes on property and capital transactions has declined during 2012-13 in comparison to 2011-12.

## 2.6 Trend in State's Share of Union Taxes over the last five years

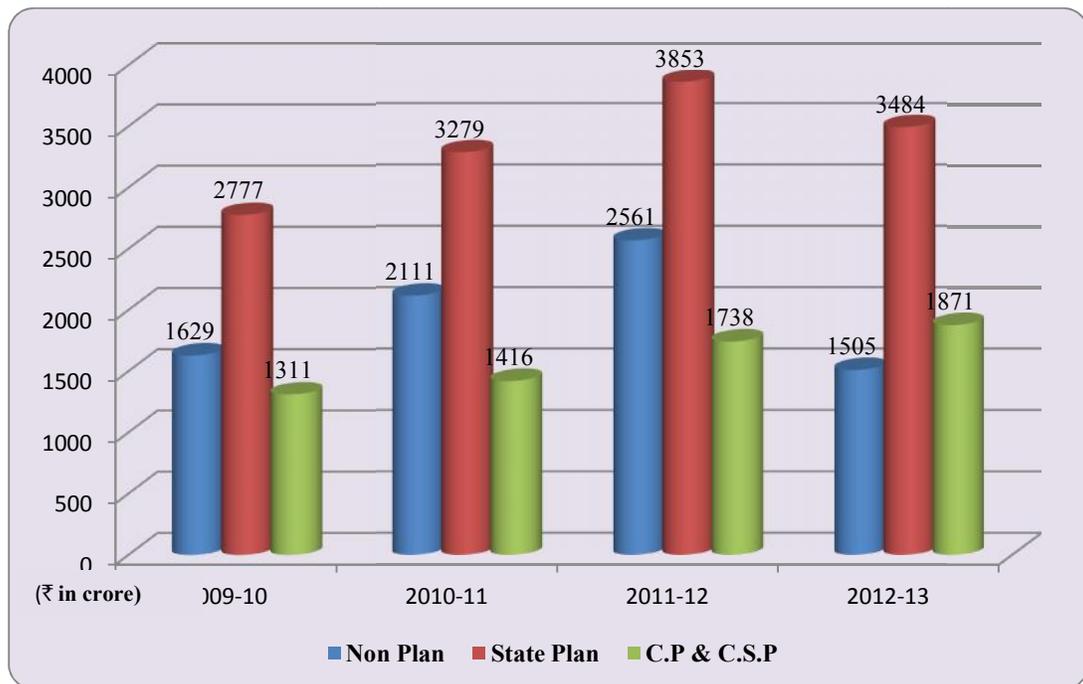
(₹ in crore)

Major Head description	2008-09	2009-10	2010-11	2011-12	2012-13
Corporation Tax	27,15	35,06	41,03	48,13	50,16
Taxes on Income other than Corporation Tax	17,05	19,53	21,68	24,45	30,03
Taxes on Wealth	3	8	8	19	8
Customs	15,83	11,92	18,36	21,20	23,21
Union Excise Duties	13,80	9,60	13,35	13,72	15,77
Service Tax	8,94	9,00	10,47	14,60	20,40
Other Taxes and Duties on Commodities and Services	-	-	-	-	-
Total State's Share of Union Taxes	82,80	85,19	1,04,97	1,22,29	1,39,65
Total Tax Revenue	1,62,75	1,75,01	2,16,89	2,56,72	2,89,99
Per cent of Union Taxes to Total Tax Revenue	51	49	48	48	48



### 2.7 Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State's Non-plan Grants recommended by the Finance Commission. Total receipts during the year under Grants-in-Aid were ₹68,60 crore as shown below: -



## ACCOUNTS AT A GLANCE

The share of non-plan grants in total grants-in-aid decreased from 31.42 per cent during 2011-12 to 21.93 per cent in 2012-13, while, the share of grants for plan schemes increased from 68.58 per cent in 2011-12 to 78.07 per cent in 2012-13. As against a budget estimate of ₹95,52 crore of Union share in Plan schemes, the State Government has actually received ₹68,60 crore of Grants in Aid (72 per cent of BE).

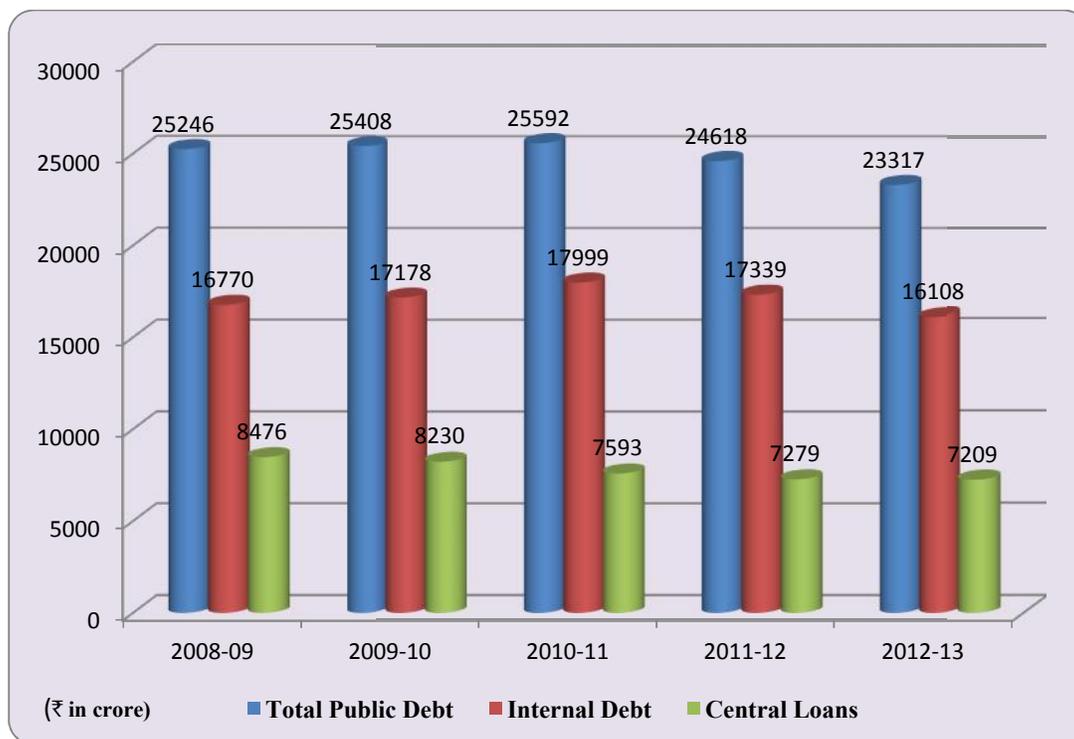
### 2.8. Public Debt

The outstanding Public Debt at the end of the 31 March 2013 was ₹2,33,17 crore comprising Internal debt of ₹1,61,08 crore and Loans and Advances from Central Government ₹72,09 crore.

#### Trend of Public Debt over last 5 years

(₹ in crore)

Description	2008-09	2009-10	2010-11	2011-12	2012-13
Internal Debt	1,67,70	1,71,78	1,79,99	1,73,39	1,61,08
Central Loans	84,76	82,30	75,93	72,79	72,09
Total Public Debt	2,52,46	2,54,08	2,55,92	2,46,18	2,33,17



*Net effect of Public Debt for last 5 years*

(₹ in crore)

Description	2008-09	2009-10	2010-11	2011-12	2012-13
Internal Debt	(-) 4,15	4,08	8,20	(-) 6,60	(-) 12,30
Central Loans	74	(-) 2,47	(-) 6,36	(-) 3,14	(-) 70
Total Public Debt	(-) 3,41	1,61	1,84	(-) 9,74	(-) 13,00

Note: Negative figures indicate that repayment is in excess of receipts.



## Chapter III

### EXPENDITURE

#### 3.1. Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

<b>General Services</b>	Includes Justice, Police, Jail, PWD, Pension etc.
<b>Social Services</b>	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc.
<b>Economic Services</b>	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

#### 3.2. Revenue Expenditure

Revenue Expenditure of ₹3,82,38 crore fell short of budget estimates by ₹31,94 crore due to less disbursement of ₹43,70 crore under Non-plan Expenditure and excess disbursement of ₹11,76 crore under Plan Expenditure.

The shortfall of expenditure against budget estimates under Revenue section during the last five years is given below:

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Budget Estimates</b>	2,27,07	2,89,19	3,24,82	3,63,23	4,14,32
<b>Actuals</b>	2,11,90	2,52,92	2,93,68	3,46,60	3,82,38
<b>Gap</b>	15,17	36,27	31,14	16,63	31,94
<b>Per cent of gap over B.E</b>	7	13	10	5	8

### 3.2.1 Sectoral distribution of Revenue Expenditure

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	4,78	1
(i) Collection of Taxes on Property and Capital transactions	3,26	1
(ii) Collection of Taxes on Commodities and Services	1,49	-
(iii) Other Fiscal Services	3	-
B. Organs of State	2,93	1
C. Interest Payments and Servicing of debt	33,07	9
D. Administrative Services	29,46	8
E. Pensions and Miscellaneous General Services	53,99	14
F. Social Services	1,49,77	39
G. Economic Services	1,01,96	26
H. Grants-in-aid and Contributions	6,41	2
<b>Total Expenditure (Revenue Account)</b>	<b>3,82,37</b>	<b>100</b>

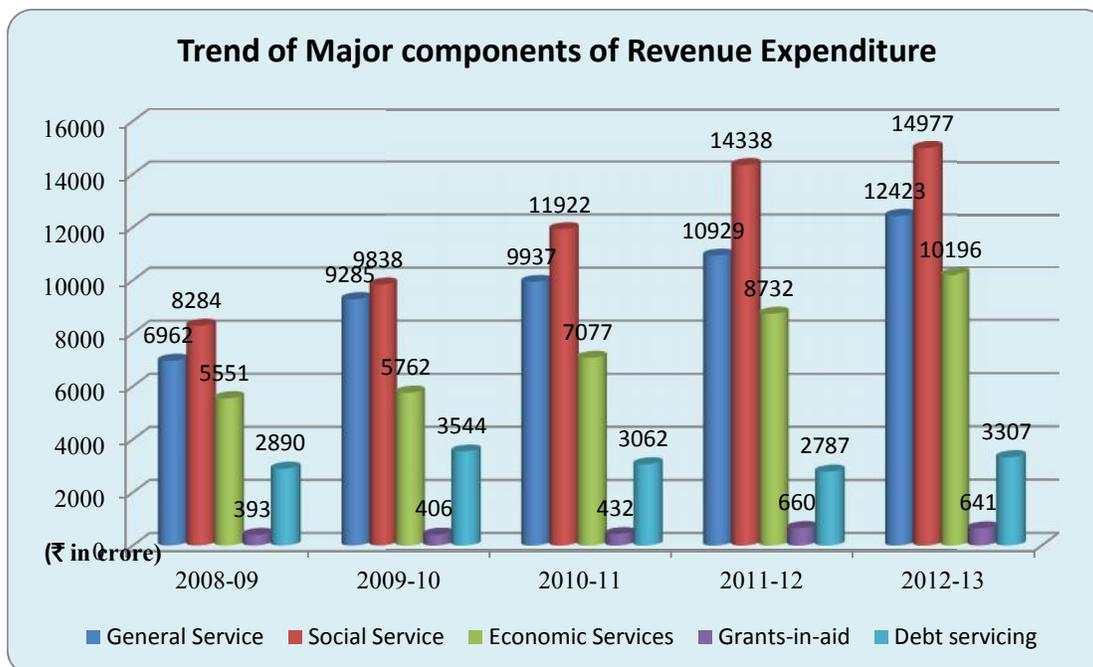
### 3.2.2 Major components of Revenue Expenditure (2008 – 2013)

#### Major components of Revenue Expenditure 2008 to 2013

(₹ in crore)

Year	General Services *	Social Services	Economic Services	Grants-in-aid	Total Revenue Expenditure	Debt Servicing
2008-09	69,62	82,84	55,51	3,93	2,11,90	28,90
2009-10	92,85	98,38	57,62	4,07	2,52,92	35,44
2010-11	99,37	1,19,22	70,77	4,32	2,93,68	30,62
2011-12	1,09,29	1,43,38	87,32	6,61	3,46,60	27,86
2012-13	1,24,23	1,49,77	1,01,96	6,41	3,82,37	33,07

\* General Services includes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments).



### 3.3. Capital Expenditure

Capital disbursements at 2.26 per cent of GSDP were less than Budget Estimate by ₹15,65 crore (less disbursement of ₹15,19 crore under Plan and less disbursement of ₹46 crore under Non-plan).

#### 3.3.1. Sectoral distribution of Capital Expenditure

During 2012-2013, the Government spent ₹17,36 crore on various Irrigation Projects (₹8,42 crore on Major Irrigation, ₹5,35 crore on Medium Irrigation, and ₹3,59 crore on Minor Irrigation) and ₹4 crore on Ports and Light Houses. Apart from above, the Government invested ₹56 crore in various Corporations /Companies/ Societies.

(₹ in crore)

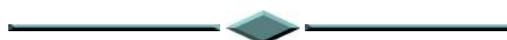
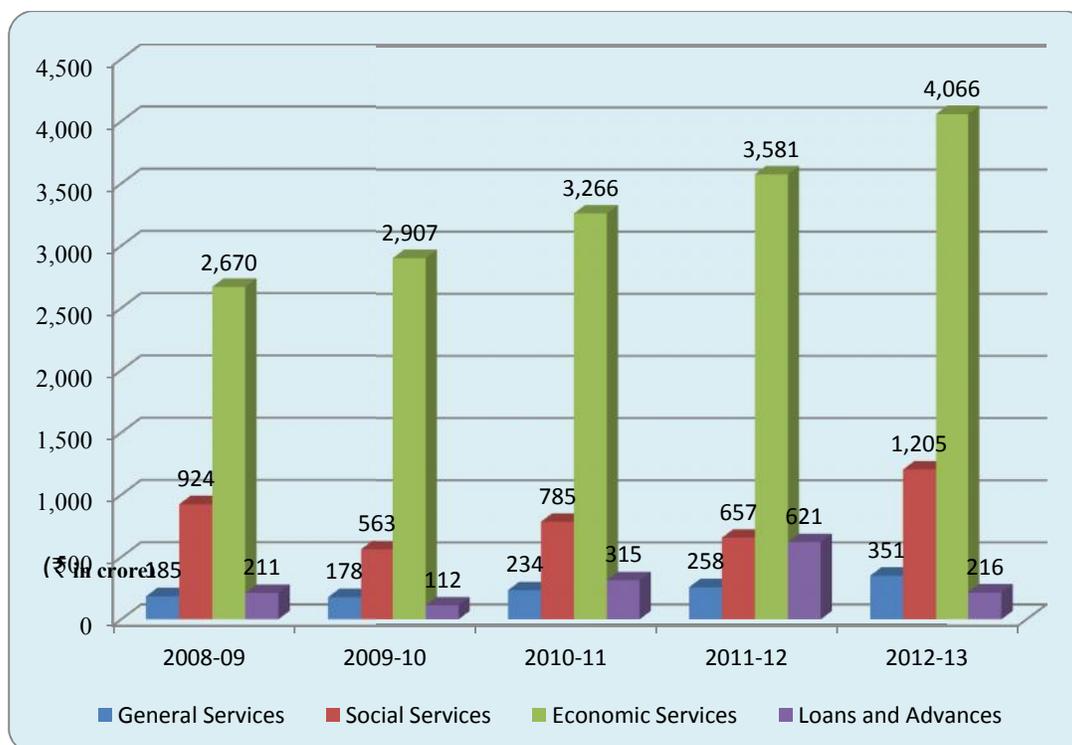
SL No	Sector	Amount	Percentage
1.	General Services-Police, Public Works etc.	3,51	6
2.	Social Services-Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc & Others.	12,05	21
3.	Economic Services-Agriculture, Rural Development, Irrigation and Flood control, Energy, Industries, Transport etc.	40,66	69
4.	Loans and Advances disbursed	2,16	4
<b>Total</b>		<b>58,38</b>	<b>1,00</b>

### 3.3.2 Sectoral distribution of capital expenditure over the last five years

(₹ in crore)

Sl. No.	Sector	2008-09	2009-10	2010-11	2011-12	2012-13
1.	General Services	1,85	1,78	2,34	2,58	3,51
2.	Social Services	9,24	5,63	7,85	6,57	12,05
3.	Economic Services	26,70	29,07	32,66	35,81	40,66
4.	Loans and Advances	2,11	1,12	3,15	6,21	2,16
	<b>Total</b>	<b>39,90</b>	<b>37,60</b>	<b>46,00</b>	<b>51,17</b>	<b>58,38</b>

Trend of different sectors of Capital Expenditure

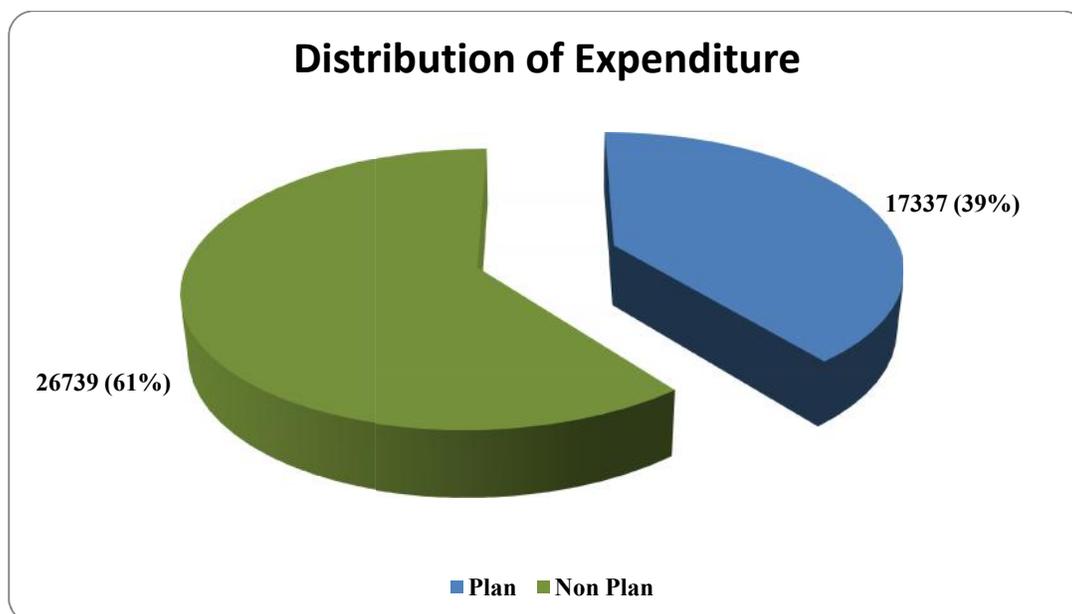


## Chapter IV

### PLAN & NON PLAN EXPENDITURE

#### 4.1. Distribution of expenditure

The total expenditure during the year was ₹4,40,76 crore representing Plan expenditure of ₹1,73,37 crore and Non-plan expenditure of ₹ 2,67,39 crore.

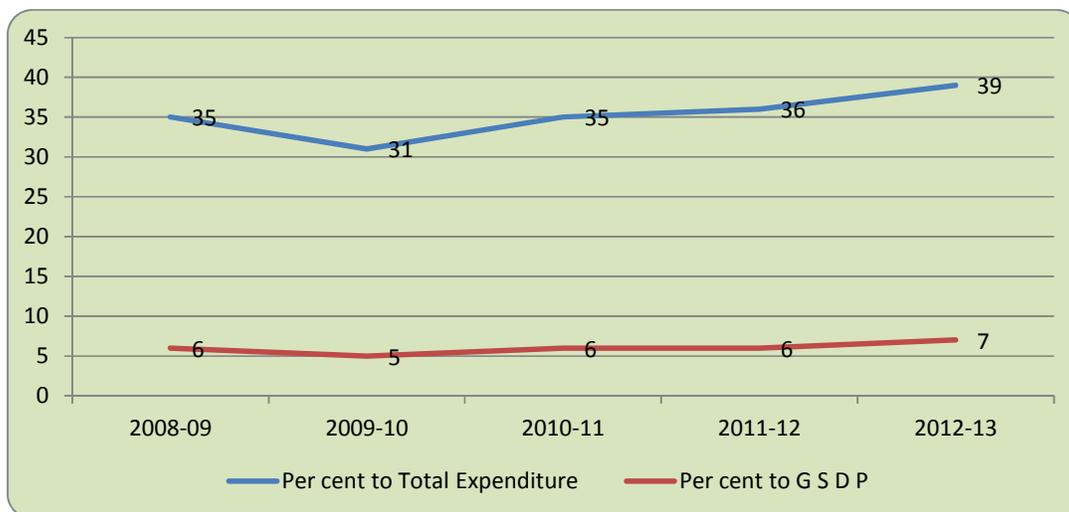


#### 4.2. Plan Expenditure

During the year, Plan Expenditure, representing 39 per cent of total disbursements, was ₹1,73,37 crore (₹1,48,81 crore under State Plan, ₹23,15 crore under Centrally Sponsored Plan Schemes and ₹1,41 crore under Loans and Advances).

#### Plan Expenditure as proportion of total expenditure and GSDP

Year	2008-09	2009-10	2010-11	2011-12	2012-13
Plan Expenditure (₹ in crore)	8934	8902	11755	1,41,57	1,73,37
Percentage to Total Expenditure	35	31	35	36	39
Percentage to GSDP	6	5	6	6	7



#### 4.2.1. Plan expenditure under Capital Account

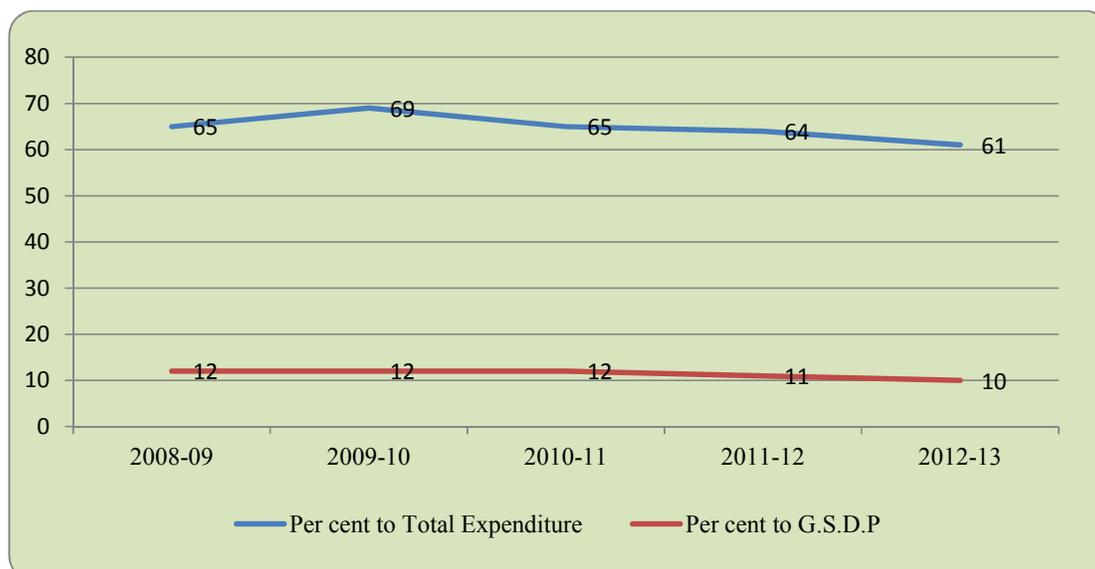
(₹ in crore)

Sector	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Total Capital Expenditure</b>	<b>42,40</b>	<b>37,60</b>	<b>46,00</b>	<b>51,17</b>	<b>58,38</b>
<b>Capital Expenditure (Plan)</b>	<b>36,26</b>	<b>32,87</b>	<b>43,62</b>	<b>44,37</b>	<b>57,44</b>
<b>Per cent of Capital Expenditure (plan) to Total Capital Expenditure</b>	<b>86</b>	<b>87</b>	<b>95</b>	<b>87</b>	<b>98</b>

#### 4.3. Non-Plan Expenditure

Non-Plan Expenditure during the year, representing 61 per cent of total disbursements, was ₹2,67,39 crore, (₹2,66,45 crore under Revenue and ₹94 crore under Capital).

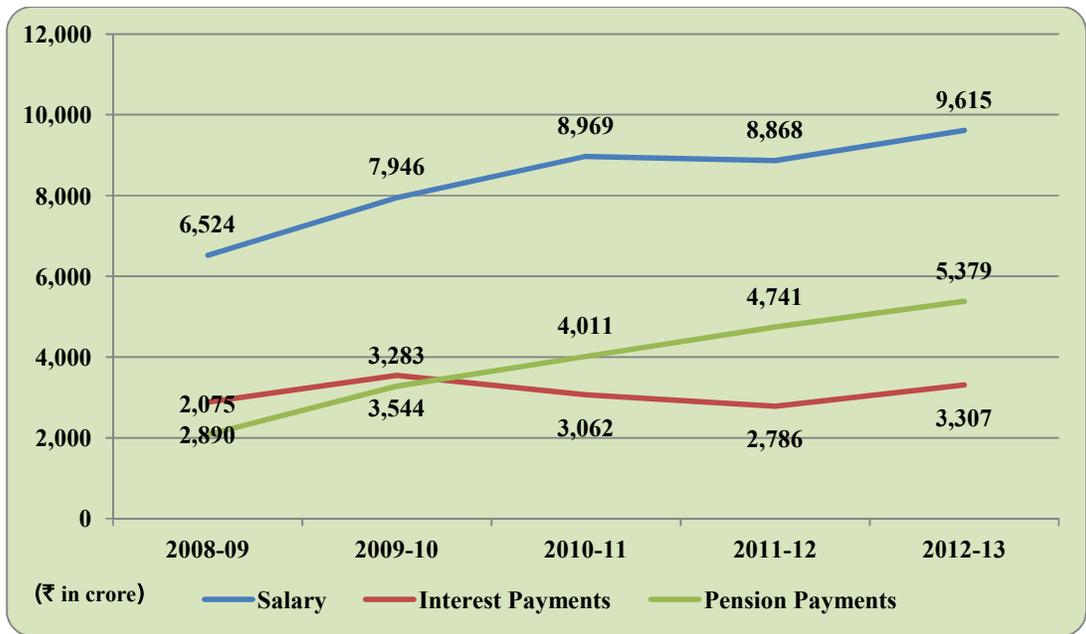
#### Non-Plan Expenditure as proportion of total expenditure and GSDP



#### 4.4. Committed Expenditure

##### Trend of Committed Expenditure

Component	2008-09	2009-10	2010-11	2011-12	2012-13
Committed Expenditure	1,14,89	1,47,73	1,60,42	1,63,95	1,83,01
Revenue Expenditure	2,11,90	2,52,92	2,93,68	3,46,60	3,82,38
Revenue Receipts	2,46,10	2,64,30	3,32,76	4,02,67	4,39,37
Per cent of committed expenditure to Revenue Receipts	47	56	48	41	42
Per cent of committed expenditure to Revenue expenditure	54	58	55	47	48



The upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending.



## Chapter V

### APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Odisha for the year 2012-2013 present the accounts of sums expended in the year ended 31 March 2013 compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

#### 5.1. Summary of Appropriation Accounts for 2012-2013

(₹ in crore)

Sl. No	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excesses (+)
1.	<b>Revenue</b>						
	Voted	37081	3567	-	40648	34972	(-) 5676
	Charged	5074	2		5076	3356	(-) 1720
2.	<b>Capital</b>						
	Voted	7032	353	-	7385	5618	(-) 1767
	Charged	11	2		13	10	(-) 3
3.	<b>Public Debt</b>	3196	8	-	3204	3180	(-) 24
4.	<b>Loans and Advances</b>	361	1		362	216	(-) 146
	Voted			-			
	<b>Total</b>	<b>52755</b>	<b>3933</b>	<b>-</b>	<b>56688</b>	<b>47352</b>	<b>(-) 9336</b>

#### 5.2. Trend of Savings during the past five years

(₹ in crore)

Year	Savings (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt.	Loans & Advances	
2008-09	-79,52	-6,97	-4,65	-1,98	<b>-93,12</b>
2009-10	-58,41	-9,73	-2	-1,84	<b>-70,00</b>
2010-11	-55,58	-11,91	3,73	-46	<b>-64,22</b>
2011-12	-56,67	-14,96	61	-1,57	<b>-72,59</b>
2012-13	(-) 7396	(-) 1770	(-) 24	(-) 146	<b>(-) 9336</b>

### 5.3. Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant savings are given below:

		(In per cent)				
Grant	Nomenclature	2008-09	2009-10	2010-11	2011-12	2012-13
<b>REVENUE (Voted)</b>						
3	Revenue and Disaster Management Department	74	48	38	17	55
5	Finance Department	43	21	26	18	22
8	Odisha Legislative Assembly	7	0.43	36	46	45
12	Health and Family Welfare Department	26	29	22	12	11
19	Industries Department	13	18	30	34	4
20	Water Resources Department	15	17	15	17	13
22	Forest & Environment Department	14	14	10	11	17
33	Fisheries and Animal Resources Development Department	20	24	19	15	21
36	Women and Child Development Department	9	19	15	8	7
<b>CAPITAL (Voted)</b>						
1	Home Department	13	42	10	15	18
5	Finance Department	29	88	45	-	20
6	Commerce Department	49	34	8	-	8
7	Works Department	17	11	16	20	9
10	School & Mass Education Department	14	100	100	81	7
13	Housing and Urban Development Department	15	14	6	30	15
16	Planning & Co-ordination Department	-	-	1.47	39	84
19	Industries Department	-	-	38	73	-
20	Water Resources Department	35	32	22	21	11
28	Rural Development Department	12	23	7	19	10
30	Energy Department	35	-	-	21	25
33	Fisheries and Animal Resources Development Department	73	13	90	66	80
34	Co-operation Department	40	-	95	86	68
38	Higher Education Department	8	54	-	36	-

During 2012-2013, supplementary grants totaling ₹39,32 crore (8 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below.

(₹ in crore)

Grant	Department	Section	Original	Supplementary	Actual Expenditure
1	Home	Revenue	2145	103	2049
3	Revenue & Disaster Management	Revenue	173193	15548	85417
4	Law	Revenue	196	0.27	159
7	Works	Revenue Capital	1175 1084	15 0.04	1163 981
8	Odisha Legislative Assembly	Revenue	46	0.02	26
10	School and Mass Education	Revenue	6526	178	5898
12	Health and Family Welfare	Capital Revenue	143 1678	7 198	126 1674
13	Housing and Urban Development	Revenue Capital	1356 225	24 16	1279 203
16	Planning Co-ordination	Capital	941	8	149
17	Panchayati Raj	Revenue	2561	375	2499
20	Water Resources	Revenue Capital	1211 2267	41 3	1090 2013
22	Forest and Environment	Revenue	514	62	478
24	Steel and Mines	Revenue	39	1	36
26	Excise	Revenue	50	0.04	44
28	Rural Development	Revenue Capital	1116 605	7 22	1102 563
30	Energy	Revenue Capital	15 527	1 33	14 423
31	Handloom, Textiles & Handicraft	Revenue	129	2	117
33	Fisheries and Animal Resources Development	Revenue	363	10	295
34	Co-operation	Capital	41	1	14
39	Expenditure relating to the Employment and Technical Education and Training Department	Revenue Capital	171 182	13 21	150 70
40	Micro, Small & Medium Enterprises	Revenue	61	11	59

## Chapter VI

### ASSETS AND LIABILITIES

#### 6.1 .Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investments as share capital in Statutory corporations, Govt. companies, Joint stock companies and Co-operative societies stood at ₹29,64 crore at the end of 2012-13. However, dividends received during the year were ₹5,65 crore (i.e. 19.06 per cent on investment). During 2012-13, investments increased by ₹56 crore, while dividend income increased by ₹2,78 crore.

Cash Balance with RBI stood at (-) ₹4,65 crore on 31 March 2012 and increased to (-) ₹24 crore at the end of March, 2013.

#### 6.2. Debt and Liabilities

No law under Article 293 of the Constitution has been passed by the Legislature of the State laying down the limit within which the Government may borrow on the security of the Consolidated Fund of the State. However the Odisha Legislative Assembly has passed “THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2005” (ODISHA ACT 6 of 2005) and “THE ODISHA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (AMENDMENT) ACT 2006 (ODISHA ACT 6 of 2006).

The Act provides for the responsibility of the State Govt. to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit and sustainable Debt management consistent with fiscal stability.

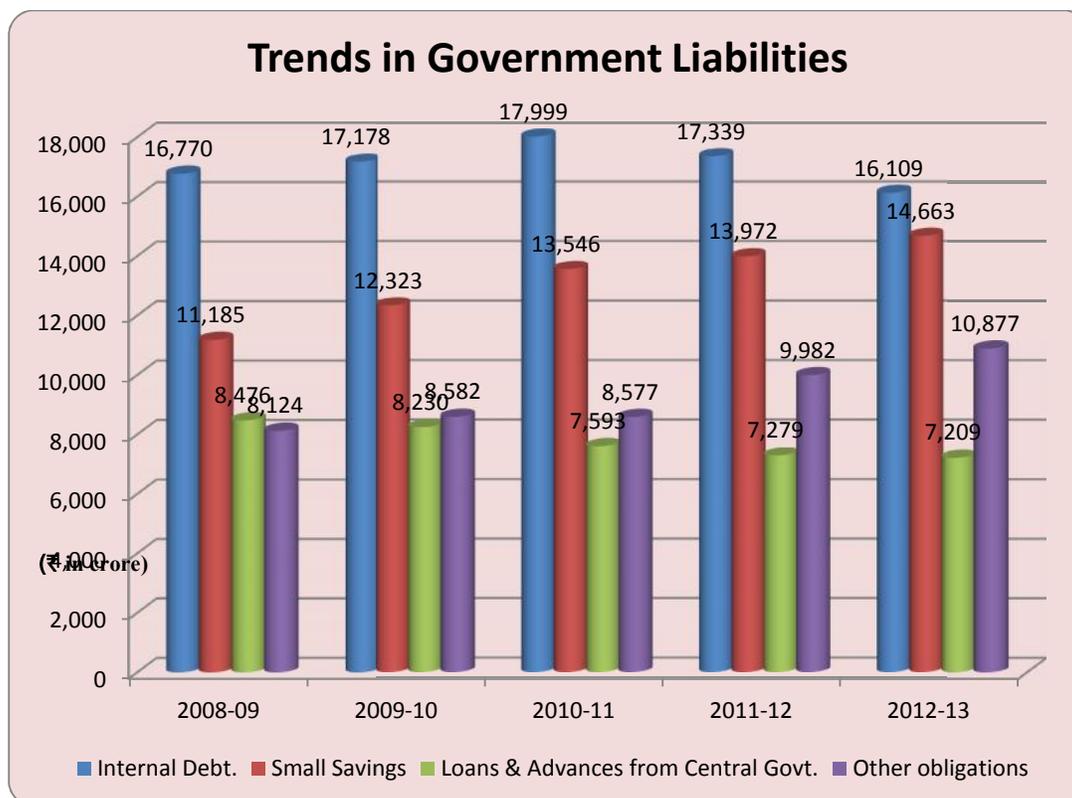
**Details of Public Debt and total liabilities for last five years:**

Year	Public Debt (₹ in crore)	Per cent to GSDP	Public Account (*) (₹ in crore)	Per cent to GSDP	Total Liabilities (₹ in crore)	Per cent to GSDP
2008-09	2,52,46	18	1,82,35	13	4,34,81	30
2009-10	2,54,08	16	2,00,19	12	4,54,27	28
2010-11	2,55,92	14	2,14,13	11	4,70,05	25
2011-12	2,46,18	11	2,39,54	11	4,85,72	21
2012-13	2,33,17	9	2,55,40	10	4,88,57	19

(\*) Excludes suspense and remittance balances.

Note: Figures are progressive balances to end of the year.

There is a net increase of ₹2,85 crore (0.59 per cent) in Public Debt and Other liabilities as compared to 2011-12.



### 6.3 Guarantees

The position of guarantees by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., is given below.

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31st March	
		Principal	Interest*
2008-09	83,80	13,86	-
2009-10	83,89	10,27	-
2010-11	97,89	20,66	-
2011-12	1,05,79	25,10	-
2012-13	1,05,79	22,51	-

\* As per Finance Department Resolution No. 46546 dated. 14.11.2006 the Government guarantees shall be confined to Principal amount borrowed by the Public Sector undertakings/Urban Local Bodies/Cooperatives Institutions/Companies etc.



## Chapter VII

### OTHER ITEMS

#### 7.1 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2012-2013 was ₹39,77 crore. Of this, Loans and Advances to Government Corporations, Companies, non-Government Institutes and Local Bodies amounted to ₹35,26 crore.

#### 7.2 Financial assistance to local bodies and others

During the past five years, Grants in Aid to local bodies etc., increased from ₹54,22 crore in 2008-2009 to ₹70,23 crore in 2012-13. Grants to Zilla Parishads, Panchayat Samities and Municipalities (₹20,31 crore) represented 29 per cent of total grants given during the year.

#### 7.3 Cash Balance and investment of Cash Balance

The Cash Balance increased from (-)₹4,65 crore at the beginning of the year 2012-13 to (-)₹24 crore at its end. Investment held in Cash Balance Investment Account as on 31 March 2013 were ₹73,42 crore. During 2012-2013, interest receipt on Cash Balance investment increased by 3Per cent in comparison to previous year. The details are furnished below:-

(₹ in crore)

Component	As on 1 April 2012	As on 31 March 2013	Net increase (+) / decrease (-)
<b>1. Cash Balances</b>	(-) 4,65	(-) 24	(+) 4,41
<b>2. Investments from cash balance (GOI Treasury Bills)</b>	68,84	73,42	(+) 4,58
<b>3. Other Cash Balances</b>	50,69	55,47	(+) 4,78
i) Cash with Departmental Officers and permanent advance	46	24	(-) 22
ii) Investment from earmarked fund balances	50,23	55,23	(+) 5,00
(a) Sinking Fund	45,43	50,43	(+) 5,00
(b) Guarantee Redemption Fund	4,80	4,80	-
<b>TOTAL (1+2+3)</b>	<b>1,14,88</b>	<b>1,28,65</b>	<b>(+) 13,77</b>
<b>Interest realized on Cash Balance Investment Account</b>	5,49	5,63	5,48

#### 7.4 Reconciliation of accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the departmental figures with the accounts figures.

Before annual accounts are finalised, the Heads of the Departments reconcile the departmental accounts figures with those booked in accounts compiled by the Accountant General. The reconciliation of accounts figures is to be done monthly. In the year 2012-2013 all the controlling officers have taken up verification work fully both Expenditure and Receipts.

Particulars	Total no. of CCOs	Fully reconciled	Partially reconciled	Not reconciled
<b>EXPENDITURE</b>	<b>161</b>	<b>161</b>	-	-
<b>RECEIPTS</b>	<b>100</b>	<b>100</b>	-	-

#### 7.5 Submission of accounts by Treasuries

The due dates for the receipt of the second list of vouchers in the Office of the Principal Accountant General (A&E) along with the cash account are 5th to 8th of the following month. Any delay in receipt of the vouchers from Treasuries causes delay in compilation of the monthly accounts and their exclusion results in portrayal of distorted picture of State Civil accounts. Such delay in rendition of accounts leads to delay in preparation and transmission of monthly and annual accounts to State Government and submission of Finance Accounts and Appropriation Accounts to the State Legislature. A review of the position of submission of monthly accounts by the Treasuries during the year 2012-2013 revealed that there has been delay of maximum 10 days in respect of two treasuries in the month of 04/2012 & 02/2013.

#### 7.6 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled, within a maximum of 90 days, through submission of DC bills. To the end of 31 March 2013, 7184 DC bills amounting to ₹52.96 crore was outstanding which indicates that these instructions have not been followed.

## 7.7 Commitment on account of incomplete capital works

A total expenditure ₹1,55,22 crore was incurred up to the year 2012-2013 by the State Government on various incomplete projects which have been taken up by the Works Department, Water Resources Department, Housing & Urban Development Department and Rural Development Department.

## 7.8 Rush of Expenditure

The State Government has introduced Cash Management System, according to which, expenditure during the month of March should not exceed 15 per cent of the budget, and expenditure during the last quarter of the financial year should be within 40 per cent of the budget. As on 31 March 2013, only 18 Departments have implemented the Cash Management System. Even in respect of these 18 departments, 14 departments exceeded the limits stipulated for March and 3 departments exceeded the limits stipulated for the last quarter as furnished below: -

### Department-wise Statement of Expenditure covered under CMS during 2012-13

Sl. No.	Grant No.	Name of the Department	Budget Provision (₹ in crore)	Expenditure during March 2013 (₹ in crore)	Expenditure during Last Quarter 2013 (₹ in crore)	Percentage of Expenditure During March 2013	Percentage of expenditure during last quarter
1.	7	Works	2278.60	436.66	831.39	19.16	36.49
2.	10	School and Mass Education	6727.60	831.14	1789.90	12.35	26.61
3.	11	S.C, S.T, O.B.C & Minorities	1911.11	468.76	762.77	24.53	39.91
4.	12	Health and Family Welfare	2033.54	331.53	739.06	16.30	36.34
5.	13	Housing & Urban Development	1625.45	287.45	667.69	17.68	41.08
6.	17	Panchayatiraj	2952.25	586.21	843.56	19.86	28.57
7.	19	Industries	11.27	-0.31	0.61	-2.73	5.40
8.	20	Water Resources	3533.43	913.55	1361.35	25.85	38.53
9.	22	Forest & Environment	655.61	77.12	189.66	11.76	28.93
10.	23	Agriculture	1665.00	350.61	501.13	21.06	30.10
11.	28	Rural Development	1750.19	484.46	735.51	27.68	42.02
12.	30	Energy	576.20	251.67	310.27	43.68	53.85
13.	31	Handloom, Textiles & Handicraft	132.36	28.42	43.63	21.48	32.96
14.	33	Fisheries & Animal Resource Development	416.89	44.94	89.92	10.78	21.57
15.	36	Women & Child Development	3486.19	674.22	1228.30	19.34	35.23
16.	38	Higher Education	1325.54	237.28	412.46	17.90	31.12
17.	39	Employment & Technical Education	388.71	71.99	97.47	18.52	25.07
18.	40	Micro, Small & Medium Enterprises	71.89	16.03	23.46	22.30	32.64

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