

Placed in the Odisha Legislative
Assembly on 20.12.2011



FINANCE ACCOUNTS

2010-2011

VOLUME - I

GOVERNMENT OF ORISSA

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CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

This compilation containing the Finance Accounts of the Government of Orissa for the year ending 31st March 2011 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume I contains the consolidated position of the state of finances and Volume II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for the keeping of such accounts functioning under the control of the Government of Orissa and the statements received from the Reserve Bank of India. Statements (No. 7, 9, and 15), Explanatory Notes to Statement Nos. 7 and 9 and Appendices-V and X in this compilation have been prepared directly from the information received from the Government of Orissa/Corporations/Companies/Societies who are responsible to ensure the correctness of such information.

The treasuries, offices and/or departments functioning under the control of the Government of Orissa are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Principal Accountant General (A&E). The audit of these accounts is independently conducted through the office of the Accountant General (Audit) in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the 'Explanatory Notes' and 'Notes to Accounts' give a true and fair view of the financial position and the receipts and disbursements of the Government of Orissa for the year ended 31st March 2011.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Orissa being presented separately for the year ended 31st March 2011.

New Delhi
The 27 September 2011

(VINOD RAI)
Comptroller and Auditor General of India

Guide to the Finance Accounts

A. 1 Broad overview of the Structure of Government Accounts

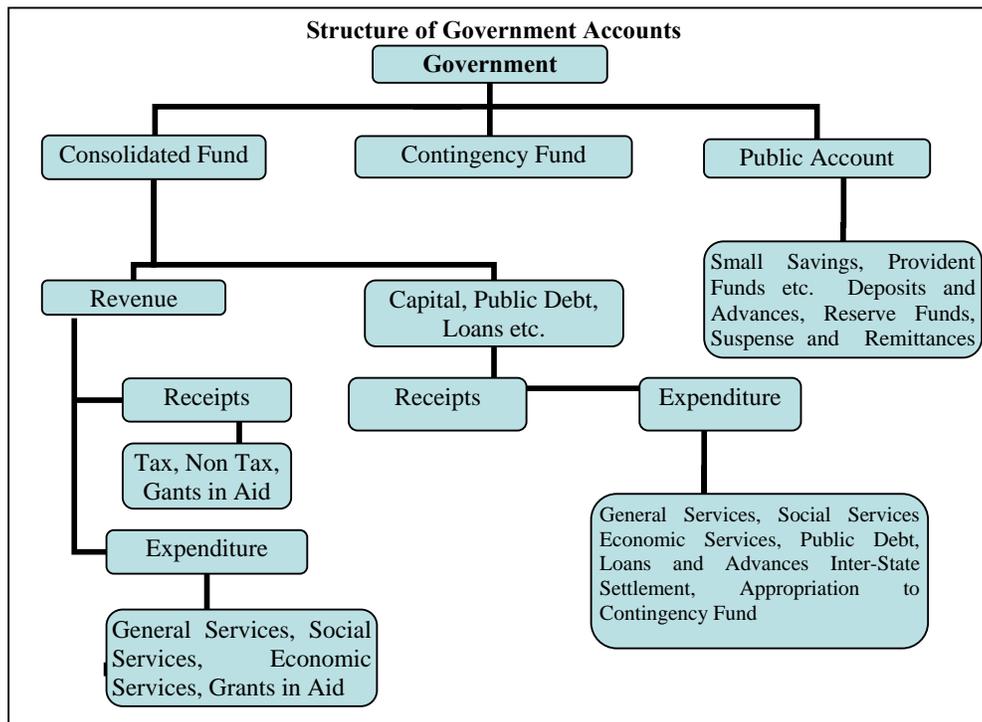
The Accounts of the Government are kept in three parts:

Part I: The Consolidated Fund: All Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances forms the Consolidated Fund of the State

Part II: The Contingency Fund: Legislature may by law establish a Contingency Fund which is in the nature of an imprest. The Fund is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head in the Consolidated Fund of the State.

Part III: The Public Account: All other public moneys received by or on behalf of the Government are credited to the Public Account. The expenditure out of this account is not subject to the vote of the Legislature. In respect of the receipts into this account, the Government acts as a banker or trustee. Transactions relating to Debt (other than public debt in Part I), Deposits, Advances, Reserve Funds, Remittances and Suspense form the Public Account.

A.1.1 Pictorial representation of Structure of Government accounts



A. 2. DIVISIONS, SECTIONS, SECTORS etc

The two main divisions of the Accounts in the Consolidated fund are, as depicted in A.1.1 above, 'Revenue and 'Capital, Public Debt, Loans etc.' which are divided into sections 'Receipts 'and 'Expenditure'. Within each of the Divisions and Sections of the Consolidated Fund the transactions on the expenditure side are grouped into Sectors such as, "General Services", "Social Services", "Economic Services", under which specific functions or services shall be grouped. The Sectors are sub-divided into subsectors/Major heads of account. Major heads correspond to functions and are further divided into sub major heads (sub functions) and minor heads (programmes) which are depicted in volume 2 of the Finance Accounts. The classification below minor heads of account i.e. subheads (schemes) and detailed and object heads (objects of expenditure) are not depicted in the Finance Accounts (minor exceptions exist), though some details are included in the appendices.

Guide to the Finance Accounts

B. WHAT DO THE STATEMENTS CONTAIN

The Finance Accounts have been divided into two volumes. Volume I presents the financial statements of the Government in the form of commonly understood summarised form while the details are presented in Volume II.

Volume I contains the Certificate of the Comptroller and Auditor General of India, four summary statements as given below and Notes to Accounts including accounting policy.

1. **Statement of financial position:** Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.
2. **Statement of receipts and disbursement:** This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, the consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.

The fiscal parameters of the Government, i.e. the primary, revenue and fiscal deficit are calculated on the operations of the consolidated fund of the State. Hence the following two statements give the operations of the consolidated fund in a summarised form.

3. **Statement of receipts (consolidated fund):** This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the GOI, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.
4. **Statement of expenditure (consolidated fund):** This statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).

In addition the volume comprises an appendix, Appendix I, which shows position of cash balance and investment of cash balances.

The second volume comprises three parts. The **first part contains six statements** as given below:

5. **Statement of progressive capital expenditure:** This statement details progressive capital expenditure by functions, the aggregate of which is depicted in statement 1.
6. **Statement of Borrowings and other liabilities:** Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the GOL. Both these together form the public debt of the State Government. In addition, this summary statement depicts 'other liabilities' which are the balances under various sectors in the public account. In respect of the latter, the Government as a trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt, i.e. a note on the quantum of net interest charges met from revenue receipts.
7. **Statement of Loans given by the Government:** The loans and advances given by the State Government are depicted in statement 1 and recoveries, disbursements feature in statement 2, 3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, the details of which are maintained by the AG office and details of which are maintained by the State departments.
8. **Statement of Grants in aid given by the State Government,** organised by grantee institutions group wise. It includes a note on grants given in kind also.

Guide to the Finance Accounts

9. Statement of Guarantees given by the Government: Guarantees given by the State Government for repayment of loans, etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions during the year and sums guaranteed outstanding as at the end of the year are presented in his statement.
10. Statement of Voted and Charged Expenditure: This statement presents details of voted and charged expenditure of the Government.

Part II Volume II : This part contains **9 statements** presenting details of transactions **by minor head** corresponding to statements in volume I and part 1 of volume II.

11. Detailed Statement of Revenue and Capital Receipts by minor heads: This statement presents the revenue and capital receipts of the Government in detail.
12. Detailed Statement of Revenue Expenditure by minor heads: This statement presents the details of revenue expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.
13. Detailed Statement of Capital Expenditure by minor heads: This statement presents the details of capital expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.
14. Detailed Statement of Investments of the Government: The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.
15. Detailed Statement of Borrowings and other Liabilities: Details of borrowings (market loans raised by the Government and Loans etc from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to statement 6 in part 1 volume II.
16. Detailed Statement on Loans and Advances given by the Government: The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc. is presented in this statement. It also presents plan loans separately. This is the detailed statement corresponding to statement 7 in part 1 volume II.
17. Detailed Statement on Sources and Application of funds for expenditure other than revenue account: The capital and other expenditure (other than on revenue account and the sources of fund for the expenditure is depicted in this statement.
18. Detailed Statement on Contingency Fund and other Public Account transactions: The statement shows changes in contingency fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transactions in public account in detail.
19. Statement showing details of earmarked balances: This statement shows the details of investment out of reserve funds in public account.

Part III Volume II contains appendices on salaries, subsidies, grants-in-aid scheme wise and institution wise, details of externally aided projects, scheme wise expenditure in respect of major Central schemes and State Plan schemes etc. These details are present in the accounts at sub head level or below (i.e. below minor head levels) and so are not depicted in the Finance accounts. For a detail list please refer to the index in volume I or II. The Statements read with the appendices give a complete picture of the state of finances prevailing in the State Government.

Guide to the Finance Accounts

C. READY RECKONER

For a quick reference to what the statements contain, please refer to the table below. The summary and detail statement in respect of the important parameters is depicted below. The number of appendices depicted below are not exhaustive.

Parameter	Summary Statements (Volume I)	Detailed Statements (Volume II)	Appendices
Revenue Receipts (including Grants received)	2, 3	11	..
Revenue Expenditure	2, 4	10, 12	2 (Salary), 3 (Subsidy)
Grants-in-Aid given by the Government	2	8, 12, 13	4
Capital receipts	2, 3	11, 17	..
Capital expenditure	1, 2, 4	5, 13, 17	..
Loans and Advances given by the Government	1, 2, 7	16	..
Debt Position/Borrowings	1, 2, 6	15	..
Investments of the Government in Companies, Corporations etc	..	14	..
Cash	1, 2	18	1, 8
Balances in Public Account and investments thereof	1	18, 19	8
Guarantees	..	9	..
Schemes	..	..	5 (Externally Aided Projects), 6, 7

D. Periodical Adjustments and Book adjustments:

Certain transactions are in the nature of book adjustments and do not represent actual cash transaction, as mentioned below. The specific details are mentioned as 'Notes to Accounts' and as footnotes in the relevant statements.

(i) Adjustment of all deductions (GPF, recoveries of advances given etc) from salaries by debiting functional major heads (department concerned) by book adjustment to revenue receipt (e.g. deductions other than GPF)/Public Account (e.g. GPF).

(ii) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g. Calamity Relief Fund, Reserve Funds, Sinking Fund etc.

(iii) Crediting of deposit heads of accounts in public account by debit to Consolidated Fund

(iv) Annual adjustment of interest on GPF and State Government Group Insurance Scheme where interest on General Provident Fund of State Government is adjusted by debiting 2049-Interest Payments and crediting 8009-State Provident Funds.

(v) Certain adjustments such as adjustment of Debt waiver scheme granted by the Government of India in accordance with the recommendation of Finance commission. It affects both revenue receipts and Public Debt heads where Central loans are written off by crediting 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government.

E. Rounding:

Difference of ₹0.01 lakh/crore, wherever occurring, is due to rounding.

STATEMENT No. 1

STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Assets ¹	Reference (Sr. no.)		As at 31 st March 2011	As at 1 st April 2010
	Notes to Accounts	Statement		
Cash				
(i) Cash in Treasuries and Local Remittances		Appendix-I	..	..
(ii) Departmental Balances		Appendix-I	47.95	49.10
(iii) Permanent Imprest		Appendix-I	0.31	0.31
(iv) Cash Balance Investments		Statement No. 18 Appendix-I	55,94.57	48,03.59
Security Deposit made by Govt.		Statement No. 18	1.95	1.83
(v) Deposits with Reserve Bank of India (If credit balance include here with minus sign)	Para-8	Statement No. 18 Appendix-I	-4,52.91	-3,84.20
(vi) Investments from Earmarked Funds ²		Statement No. 18 Statement No. 19 Appendix-I	48,13.00	48,13.00
Capital Expenditure				
(i) Investments in shares of Companies, Corporations, etc.	Para-12	Statement No. 14	21,90.37	21,06.45
(ii) Other Capital Expenditure		Statement No. 13	3,01,37.37	2,59,36.19
Contingency Fund (un-recouped)	Para-18	Statement No. 18	3,88.08	2,12.05
Loans and Advances	Para-11	Statement No. 7 and 16	34,14.21	31,33.34
Advances with departmental officers		Statement No. 18	9.55	9.32
Remittance Balances	Para-17	Statement No. 18	20.37	16.44
Cumulative excess of expenditure over receipts		Statement No. 17	19,92.56	59,00.78
Total			4,81,57.38	4,65,98.20

¹ The figures of assets and liabilities are cumulative figures. Please also see note 1 (ii) in the section 'Notes to Accounts'.

² Investments out of earmarked funds in shares of companies etc are excluded under capital expenditure and included under 'Investments from Earmarked Funds'.

STATEMENT No. 1

STATEMENT OF FINANCIAL POSITION

(₹ in crore)

<i>Liabilities</i>	<i>Reference (Sr. no.)</i>		<i>As at 31st March 2011</i>	<i>As at 1st April 2010</i>
	Notes to Accounts	Statement		
Borrowings (Public Debt)				
(i) Internal Debt		Statement No. 6 and 15	1,79,98.56	1,71,78.19
(ii) Loans and Advances from Central Government		Statement No. 6 and 15	75,93.14	82,29.50
Non-Plan Loans			31.48	34.00
Loans for State Plan Schemes			74,39.26	80,61.51
Loans for Central Plan Schemes			17.46	20.64
Loans for Centrally Sponsored Plan Schemes			55.25	62.04
Other Loans			49.69	51.31
Contingency Fund (corpus)	Para-18	Statement No. 18	4,00.00	4,00.00
Liabilities on Public Account				
(i) Small Savings, Provident Funds, etc.		Statement No. 18	1,35,46.00	1,23,23.39
(ii) Deposits		Statement No. 18	30,13.76	28,59.35
(iii) Reserve Funds		Statement No. 18	48,52.88	48,36.05
(iv) Remittance Balances				
(v) Suspense and Miscellaneous Balances ³	Para-17	Statement No. 18	54.92	73.60
(vi) Misc. Capital Receipts		Statement No. 17	6,98.12	6,98.12
Cumulative excess of receipts over expenditure⁴				..
Total			4,81,57.38 4,	65,98.20

³ In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investment Account', which is included separately above, though the latter forms part of this sector elsewhere in these Accounts.

⁴ The cumulative excess of receipts over expenditure or expenditure over receipts is different from and not the fiscal/revenue deficit for the current year.

STATEMENT No. 2

STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts Disbu			rsements		
201	0-2011	2009-2010		2010-2011	2009-2010
Part-I Consolidated Fund					
Section-A: Revenue			<i>(₹ in crore)</i>		
Revenue Receipts	3,32,76.16	2,64,30.21	Revenue Expenditure	2,93,67.95	2,52,91.59
Tax revenue (raised by the State)	1,11,92.67	89,82.34	Salaries ¹	88,38.96	78,27.72
Non-Tax revenue			Subsidies	13,10.11	10,07.65
Interest receipts	2,60.84	3,79.23	Grants-in-aid ²	43,60.63	36,50.52
Others	45,19.54	28,32.97		(A)	(B)
Total	47,80.38	32,12.20	General services		
			Interest Payments and Servicing of debt	30,61.53	35,44.24
			Pensions	40,11.00	32,83.41
Share of Union Taxes/Duties	1,04,96.86	85,18.65	Others	5,15.48	4,77.47
			Total	75,88.01	73,05.12
			Social services	41,46.97	30,58.79
			Economic services	26,91.66	20,35.96
Grants from Central Government	68,06.25	57,17.02	Compensation and assignment to Local Bodies and PRIs	4,31.61	4,05.83
Revenue Deficit	..	..	Revenue Surplus	39,08.21	11,38.62
Section-B: Capital					
Capital Receipts	..	..	Capital Expenditure	42,85.10	36,47.88
				(C)	(D)
			General Services	2,34.16	1,77.75
			Social Services	7,84.50	5,62.70
			Economic Services	32,66.44	29,07.43

Note:

(A) - Total GIA comprises the expenditure under the minor heads 191, 192, 193, 196, 197, 198 and the dedicated object head under other minor heads except the major head 3604, it also includes ₹12,25.99 crore towards Grants-in-aid Salary

(B) -Total GIA comprises the expenditure under the minor heads 191, 192, 193, 196, 197, 198 and the dedicated object head under other minor heads except the major head 3604, it also includes ₹9,48.90 crore towards Grants-in-aid Salary.

(C) - Includes ₹1,30.06 crore towards Salary and ₹40.84 crore towards GIA.

(D) – Includes ₹1,17.72 crore towards Salary and ₹18.96 crore towards GIA.

¹ Salary, Subsidy and Grants in Aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' Services does not include expenditure on salaries, subsidies and grants in aid (explained in footnote 2).

² Grants-in-Aid are given to statutory corporations, companies, autonomous bodies, local bodies etc. by the Government which is included as a line item above. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and assignment to Local Bodies and PRIs'.

STATEMENT No. 2

STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2010-2011	2009-2010		2010-2011	2009-2010
Recoveries of Loans and Advances	33.82	3,56.36	Loans and Advances disbursed	3,14.69	1,12.48
			General Services	..	..
			Social Services	52.28	48.81
			Economic Services	2,05.78	39.69
			Loans to Govt. Servants,	53.13	23.98
			Loans for Misc. Services	3.50	..
Public debt receipts	22,67.60	16,50.13	Repayment of Public Debt	20,83.59	14,88.69
Internal Debt (market loans etc.)	20,41.92 (F)	14,59.78 (E)	Internal Debt (market loans etc.)	12,21.55	10,51.74
Loans from GOI	2,25.68	1,90.35	Loans from Central Govt.	8,62.04 @	4,36.95
			Transfer to Contingency Fund	..	..
Net of Inter-State settlement	..	..	Net of Inter-State settlement	..	..
Total Receipts Consolidated Fund	3,55,77.58	2,84,36.70	Total Expenditure Consolidated Fund	3,60,51.33	3,05,40.64
Deficit in Consolidated Fund	4,73.75	21,03.94	Surplus in Consolidated Fund	..	..
Part II - Contingency Fund					
Contingency Fund	1,98.97	11.07	Contingency Fund	3,75.00	1,98.97
Part III - Public Account ³					
Small savings	28,04.31	25,70.58	Small savings	15,81.70	14,32.51
Reserves & Sinking Funds	6,02.72	7,35.95	Reserves & Sinking Funds	5,85.89	7,34.53
Deposits	32,43.94	30,47.55	Deposits	30,89.52	29,02.77
Advances	1,02.11	86.95	Advances	1,02.34	87.08
Suspense and Misc	12,40,83.49	17,49,62.74	Suspense and Misc ⁴	12,48,92.12	17,33,67.07
Remittances	60,27.47	52,57.29	Remittances	60,31.40	52,15.94
Total Receipts Public Account	13,68,64.04	18,66,61.06	Total Disbursements Public Account	13,62,82.97	18,37,39.90
Deficit in Public Account	..	29,21.16	Surplus in Public Account	5,81.07	..
Opening Cash Balance	-3,84.20	-10,13.52	Closing Cash Balance	-4,52.91	-3,84.20
Increase in cash balance	..	6,29.32	Decrease in cash balance	68.71	..

(E) - Includes ₹7,56.00 crore received as Loan from "National Small Savings Fund".

(F) - Includes ₹12,35.86 crore received as loan from "National Small Savings Fund".

@ - Includes debt relief of ₹374.67 crore pertaining to the year 2009-2010 given by Department of expenditure, Ministry of Finance, Government of India on repayment of Consolidated Loan.

³ For details please refer to Statement No. 18 in Volume II.⁴ 'Suspense and Miscellaneous' includes 'other accounts' such as Cash Balance Investment account (Major Head 8673) etc. The figures may appear huge on account of these other accounts. Details may please be seen in Statement No. 18.

STATEMENT No. 3

STATEMENT OF RECEIPTS UNDER CONSOLIDATED FUND

		(₹ in crore)	
Description	2010-11	2009-10	
REVENUE RECEIPTS			
A. Tax Revenue			
A.1 Own Tax revenue			
Land Revenue	3,90.66	2,92.18	
Stamps and Registration fees	4,15.82	3,59.96	
State Excise	10,94.26	8,49.05	
Taxes on Sales, Trades, etc.	68,06.80	54,08.76	
Taxes on goods and passengers	11,11.37	8,15.25	
Taxes on Vehicles	7,27.58	6,11.23	
Others	6,46.18	6,45.91	
A.2 Share of net proceeds of Taxes			
Corporation Tax	41,02.82	35,05.78	
Taxes on Income other than Corporation Tax	21,68.11	19,52.86	
Other Taxes on Income and Expenditure	-	-	
Taxes on Wealth	8.41	7.93	
Customs	18,35.48	11,92.24	
Union Excise Duties	13,35.25	9,60.36	
Service Tax	10,46.80	8,99.49	
Other Taxes and Duties on Commodities and Services	-0.01	-0.01	
Others		-	
Total - A	2,16,89.53	1,75,00.99	
B Non-Tax Revenue			
Interest receipts	2,60.84	3,79.23	
Dividends and profits	1,01.58	2,50.79	
Miscellaneous General Services	4,12.29	11.60	
Non-ferrous Mining and Metallurgical Industries	33,29.25	20,20.76	
Forestry and Wild Life	1,57.68	1,09.03	
Medium Irrigation	37.80	62.08	
Other Administrative Services	11.06	56.48	
Water Supply and Sanitation	53.98	54.87	
Roads and Bridges	70.74	54.67	
Public Works	48.79	41.99	
Police	38.45	36.69	
Contributions and recoveries towards Pension and Other Retirement benefits	36.58	31.73	
Education, Sports, Art and Culture	25.98	14.88	

STATEMENT No. 3

STATEMENT OF RECEIPTS UNDER CONSOLIDATED FUND

		<i>(₹ in crore)</i>	
Description	2010-11	2009-10	
Medical and Public Health	19.55	12.96	
Housing	12.24	11.88	
Labour and Employment	8.59	7.81	
Civil Supplies	12.00	7.51	
Crop Husbandry	8.47	7.10	
Other Social Services	6.11	6.19	
Other General Economic Services	6.72	6.16	
Minor Irrigation	9.11	4.40	
Major Irrigation	95.89	3.39	
Fisheries	1.28	2.79	
Power	2.07	2.66	
Village and Small Industries	0.48	2.27	
Stationery and Printing	2.99	2.07	
Co-operation	2.18	1.99	
Public Service Commission	1.57	1.72	
Information and Publicity	0.66	1.16	
Other Agricultural Programmes	0.89	1.08	
Animal Husbandry	0.99	0.86	
Ports and Light Houses	0.38	0.86	
Urban Development	0.65	0.84	
Jails	0.67	0.45	
Social Security and Welfare	0.43	0.35	
Inland Water Transport	0.29	0.26	
Other Rural Development Programmes	0.11	0.21	
Tourism	0.22	0.17	
Family Welfare	0.33	0.10	
Industries	0.12	0.07	
Land Reforms	0.26	0.06	
Civil Aviation	0.11	0.02	
Other Scientific Research	..	0.01	
Others	-	-	
Total - B	47,80.38	32,12.20	

STATEMENT No. 3

STATEMENT OF RECEIPTS UNDER CONSOLIDATED FUND

GRANTS FROM GOVERNMENT OF INDIA

(₹ in crore)

		<i>Actuals</i>	
Description		2010-11	2009-10
C.	Grants-in-Aid from Central Government		
C.1	Non Plan Grants		
	Grants under the proviso to Article 275 (1) of the Constitution	5,81.00	7,46.37
	Grants towards contribution to State Disaster Response Fund	8,53.86	1,76.50
	Grants under National Calamity Contingency Fund	-	-
	Other Grants	6,76.53	7,06.48
C.2	Grants for State/Union Territory Plan Schemes		
	Block Grants (of which EAP)	30,41.05 (1,20.58)	23,93.55 (1,28.05)
	Grants under the proviso to Article 275 (1) of the Constitution	2,38.16	3,12.63
	Grant for Central Road Fund	-	70.56
	Other Grants	-	-
C.3	Grants for Central Plan Schemes	1,92.01	1,67.11
C.4	Grants for Centrally Sponsored Plan Schemes	12,23.64	11,43.83
C.5	Grants for Special Plan Schemes	-	-
	Total - C	68,06.25	57,17.02
	Total Revenue Receipts (A+B+C)	3,32,76.16	2,64,30.21

STATEMENT No. 3

STATEMENT OF RECEIPTS UNDER CONSOLIDATED FUND

CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS

(₹ in crore)

		<i>Actuals</i>	
Description		2010-11	2009-10
D.	Capital Receipts		
	Dis-investment proceeds	-	-
	Others	-	-
	Total - D	-	-
E.	Public Debt receipts		
E. 1	Internal Debt		
	Market Loans	-	-
	WMA ¹ from the RBI	-	-
	Bonds	-	-
	Loans from Financial Institutions	7,16.42	6,23.78
	Special Securities issued to National Small Savings Fund	12,35.86	7,56.00
	Other Loans	89.64	80.00
E. 2	Loans and Advances from Central Government		
	Non Plan Loans	-	0.33
	Loans for State Plan Schemes	2,25.68	1,90.02
	Loans for Central Plan Schemes	-	-
	Loans for Centrally Sponsored Plan Schemes	-	-
	Other Loans	-	-
	Total - E	22,67.60	16,5 0.13
F.	Loans and Advances by State Government (Recoveries)²	33.82	3,5 6.36
G.	Inter-State settlements	-	-
	Total Receipts in Consolidated Fund (A+B+C+D+E+F)	3,55,77.58	2,84,3 6.70

¹ WMA: Ways and Means Advances

² Details are in Statement 7 and 16.in Volume 2.

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

A. EXPENDITURE BY FUNCTION		(₹ in crore)			
	Description	Revenue	Capital	LOANS & ADVANCES	Total
A Ge	neral Services				
A.1 Or	gans of State				
	Parliament/State/Union Territory Legislatures	16.98	-	-	16.98
	President, Vice President/Governor, Administrator of Union Territories	5.19	-	-	5.19
	Council of Ministers	4.31	-	-	4.31
	Administration of Justice	2,12.75	-	-	2,12.75
	Election	20.47	-	-	20.47
A.2 Fisc	al Services				
	Land Revenue	2,82.27	-	-	2,82.27
	Stamps and Registration	40.70	-	-	40.70
	State excise	36.51	-	-	36.51
	Taxes on Sales, Trades etc.	73.08	-	-	73.08
	Taxes on Vehicles	30.22	-	-	30.22
	Other Taxes and Duties on Commodities and Services	5.65	-	-	5.65
	Other Fiscal Services	2.75	-	-	2.75
	Appropriation for Reduction or Avoidance of Debt	0.07	-	-	0.07
	Interest Payments	30,61.46	-	-	30,61.46
A.3 Adm	in istrative Services				
	Public Service Commission	6.00	-	-	6.00
	Secretariat-General Service	1,11.11	-	-	1,11.11
	District Administration	95.27	-	-	95.27
	Treasury and Accounts Administration	73.76	-	-	73.76
	Police	12,90.31	62.43	-	13,52.74
	Jails	74.90	-	-	74.90
	Stationery and Printing	41.47	-	-	41.47
	Public Works	2,28.95	1,71.74	-	4,00.69
	Other Administrative Services	1,96.34	-	-	1,96.34
A.4	Pension & Misc. General Services				
	Pensions and Other Retirement Benefits	40,11.00	-	-	4011.00
	Miscellaneous General Services	15.25	-	-	15.25
	Total – General Services	99,36.77	2,34. 17	-	1,01,70.94
B So	cial Services				
B.1	Education, Sports Art & Culture				
	General Education	62,79.84	1,87.63	0.81	64,68.28
	Technical Education	88.41	-	-	88.41
	Sports and Youth Services	36.86	-	-	36.86
	Art and Culture	19.15	-	-	19.15
B.2	Health & Family Welfare				
	Medical and Public health	10,33.07	28.58	-	10,61.65
	Family Welfare	2,10.70	-	-	2,10.70

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

(₹ in crore)

	Description	Revenue	Capital	LOANS & ADVANCES	Total
B.3 D	Development				
	Water Supply and Sanitation	5,12.47	62.87	6.69	5,82.03
	Housing	1,77.97	93.44	44.78	3,16.19
	Urban Development	2,61.17	4.86	-	2,66.03
B.4 In	formation and Broadcasting				
	Information and Publicity	27.33	-	-	27.33
	Broadcasting				
B.5	Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes				
	Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	8,16.61	3,94.69	-	12,11.30
B.6	Labour and Labour Welfare				
	Labour and employment	68.64	-	-	68.64
B.7	Social Welfare & Nutrition				
	Social Security and Welfare	12,04.65	-	-	12,04.65
	Nutrition	5,18.79	-	-	5,18.79
	Relief on Account of Natural Calamities	6,03.46	-	-	6,03.46
B.8 O	thers				
	Other Social Services	14.55	12.42	-	26.97
	Secretariat- Social Services	48.34	-	-	48.34
	Total Social Services	1,19,22.01	7,84.49	52.28	1,27,58.78
C	Economic Services				
C.1	Agriculture & Allied Activities				
	Crop Husbandry	8,74.96	-	-	8,74.96
	Soil & Water Conservation	1,36.45	-	-	1,36.45
	Animal Husbandry	1,95.34	-	-	1,95.34
	Dairy Development	5.18	-	-	5.18
	Fisheries	49.75	3.24	-	52.99
	Forestry & Wild Life	3,45.72	55.42	-	4,01.14
	Food, Storage & Warehousing	9,48.93	6.20	-	9,55.13
	Agricultural Research & Education	77.89	-	-	77.89
	Agricultural Financial Institutions				
	Co-operation	1,39.37	5.33	0.20	1,44.90
	Other Agricultural Programmes	3.98	8.41	-	12.39
C.2 Rura	l Development				
	Special Programmes for Rural Development	1,52.52	-	-	1,52.52
	Other Special Areas programme	-	1,83.51	-	1,83.51
	Rural Employment	3,40.01	-	-	3,40.01
	Land Reforms	48.42	-	-	48.42
	Other Rural Development Programmes	9,42.41	-	-	9,42.41
C.3	Irrigation & Flood Control				
	Major Irrigation	2,54.19	9,58.18	-	12,12.37
	Medium Irrigation	61.65	3,75.64	-	4,37.29
	Minor Irrigation	2,72.05	1,65.78	0.30	4,38.13
	Command Area Development	70.14	-	-	70.14
	Flood Control & Drainage	1,07.04	1,06.83	-	2,13.87

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

(₹ in crore)

	Description	Revenue	Capital	LOANS & ADVANCES	Total
C.4	Energy				
	Power	1,96.50	83.24	2,05.00	4,84.74
	Non-Conventional Sources of Energy	8.93	-	-	8.93
C.5	Industry & Minerals				
	Village & Small Industries	1,38.66	5.00	-	1,43.66
	Industries	1,01.55	-	-	1,01.55
	Non- Ferrous Mining & Metallurgical Industries	31.25	-	-	31.25
	Cement & Non- Metallic Mineral Industries	-	-	-	-
	Fertilizer Industries	-	-	-	-
	Engineering Industries	-	-	-	-
	Telecommunication & Electronic Industries	-	-	0.28	0.28
	Consumer Industries	-	-	-	-
	Other Industries	0.55	0.05	-	0.60
	Other Outlays on Industries & Minerals	0.99	-	-	0.99
C.6	Transport				
	Ports & Light Houses	0.99	5.25	-	6.24
	Civil Aviation	1.20	2.00	-	3.20
	Roads & Bridges	10,44.34	12,87.05	-	23,31.39
	Road Transport	1.60	-	-	1.60
	Inland Water Transport	2.99	-	-	2.99
C.7	Science & Technology				
	Other Scientific Research	19.20	-	-	19.20
	Ecology & Environment	12.48	-	-	12.48
C.8	General Economic Service				
	Secretariat- Economic Services	3,60.51	-	-	3,60.51
	Tourism	18.59	15.18	-	33.77
	Foreign Trade & Export Promotion	6.59	-	-	6.59
	Census Surveys & Statistics	93.51	-	-	93.51
	Civil Supplies	3.70	-	-	3.70
	General Financial & Trading Institutions	-	-	-	-
	Other General Economic Service	7.43	0.13	-	7.56
	Total Economic Services	70,77.56	32,6 6.44	2,05.78	1,05,49.78
D.	Loans, Grants-in-Aid & Contributions				
	Compensation & Assignments to Local Bodies and Panchayati Raj Institutions	4,31.61	-	-	4,31.61
	Aid Material & Equipments	-	-	-	-
E	Loans to Government Servants etc.				
	Loans to Government Servants etc.	-	-	53.13	53.13
	Misc. Loans	-	-	3.50	3.50
F	Public Debt				
	Internal Debt of the State Government	-	-	12,21.55	12,21.55
	Loans and Advances from the Central Government	-	-	8,62.04@	8,62.04
	Total Loans, Grants in Aid & Contributions and Public Debt.	4,31.61		21,40.22	25,71.83
	Total Expenditure under Consolidated Fund	2,93,67.95	42,85.10	23,98.28	3,60,51.33

@ Includes debt relief of ₹3,74.67 crore pertaining to the year 2009-2010 given by Department of expenditure, Ministry of Finance, Government of India on repayment of Consolidated Loan.

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

B. EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2010-11 2			009-10			2008-09		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Salaries	1,00,74.22	3,26.37	1,04,00.59	89,22.63	2,21.71	91,44.34	62,51.89	2,04.55	64,56.44
Subsidy for different purposes	10,08.43	-	10,08.43	8,87.02	-	8,87.02	5,99.63	-	5,99.63
Interest for different purposes	13,10.73	-	13,10.73	12,36.92	-	12,36.92	9,57.16	-	9,57.16
Grants for different purposes	8,56.19	-	8,56.19	2,22.23	-	2,22.23	1,53.06	-	1,53.06
Compensation in lieu of Octroi	2,57.37	-	2,57.37	2,32.49	-	2,32.49	2,05.78	-	2,05.78
Pre-Matric Scholarship	1,99.31	-	1,99.31	2,04.37	-	2,04.37	1,44.43	-	1,44.43
Central Contribution to SDRF	2,93.69	-	2,93.69	1,76.50	-	1,76.50	3,24.50	-	3,24.50
Honorarium and Allowances to Anganwadi Workers and helped	2,11.08	-	2,11.08	1,70.81	-	1,70.81	1,46.92	-	1,46.92
Central Grant from NDRF	1,99.54	-	1,99.54	-	-	-	-	-	-
Misc. work advance	8.10	-	8.10	-	-	-	-	-	-
Water charges	6.24	0.04	6.28	-	-	-	-	-	-
Tools and Plants – P.C	96.11	-	96.11	81.3	46.24	1,27.54	76.78	68.02	1,44.80
Festival Advance	8.40	-	8.40	-	-	-	-	-	-
Motor Vehicles	65.25	0.48	65.73	61.91	-	61.91	69.96	-	69.96
State's Contribution to Disaster Response Fund	1,08.04	-	1,08.04	58.83	-	58.83	1,08.16	-	1,08.16
Telephone Charges	8.53	0.17	8.70	-	-	-	-	-	-
Other Contingencies	56.18	0.66	56.84	48.88	-	48.88	49.07	-	49.07
Electricity Dues	48.19	0.60	48.79	38.72	-	38.72	37.33	-	37.33
Sitting fees & Daily Allowances of Sarapanchas	6.66	-	6.66	-	-	-	-	-	-
Post-Matric Scholarship	52.67	-	52.67	29.81	-	29.81	34.15	-	34.15
Block-Grant	1,27.61	-	1,27.61	28.01	-	28.01	13.01	-	13.01

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

Object of Expenditure	2010-11 2			009-10			2008-09		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Compensation to ULBs for various Development work	8.02	-	8.02	-	-	-	-	-	-
Honorarium & Allowances to Panchayat Samiti Chairman	7.47	-	7.47	-	-	-	-	-	-
Building Maintenance	26.79	-	26.79	25.98	-	25.98	28.35	-	28.35
Honorarium to Sarapancha & Naib Sarapanchas	10.32	-	10.32	-	-	-	-	-	-
Stipend for House Surgens	3.50	-	3.50	-	-	-	-	-	-
Compensation for Performance Based Incentives to ULBs	20.57	-	20.57	20.18	-	20.18	18.17	-	18.17
Pensionary charges	11.45	-	11.45	-	-	-	-	-	-
Teaching – Transferred to Non-plan	4.95	-	4.95	-	-	-	-	-	-
Non-Teaching – Transferred to Non-plan	3.99	-	3.99	-	-	-	-	-	-
Reimbursement of Cost of Medicine	24.38	0.75	25.13	16.91	-	16.91	17.57	-	17.57
Purchase of Furniture	-	-	-	16.21	-	16.21	50.00	-	50.00
Contribution to Chief Minister's Relief Fund	15.00	-	15.00	15.00	-	15.00	10.00	-	10.00
Cess and Land Revenue	15.17	-	15.17	14.60	-	14.60	14.37	-	14.37
Purchase of Books and furniture for library	-	-	-	14.29	-	14.29	-	-	-
State Matching Share	16.00	-	16.00	14.05	-	14.05	44.16	-	44.16
Non-Teaching pensionary benefit	9.51	-	9.51	-	-	-	-	-	-

STATEMENT No. 4

STATEMENT OF EXPENDITURE IN CONSOLIDATED FUND

Object of Expenditure	2010-11 2			009-10			2008-09		
	Revenue C	apital	Total	Revenue	Capital	Total	Revenue C	apital	Total
Purchase of Library Books		-	-	10.97	-	10.97	-	-	-
Teaching ¹	15.93	-	15.93	10.86	-	10.86	-	-	-
Teaching pensionary benefit	13.50	-	13.50	-	-	-	-	-	-
Profit from Kendu Leaf trade	9.72	-	9.72	10.00	-	10.00	-	-	-
Non-Teaching ¹	10.64	-	10.64	10.00	-	10.00	-	-	-
Others	1,46,49.35	39,56.03	1,86,05.38	1,31,85.20	33,79.93	1,65,65.13	1,21,98.48	35,06.60	1,57,05.08
Deduct Recoveries	-5,10.85	-	-5,10.85	-4,73.09	-	-4,73.09	-3,62.81	-0.01	-3,62.82
TOTAL	2,93,67.95	4 2,85.10	3,36,53.05	2,52,91.59	3 6,47.88	2,89,39.47	2,11,90.12	37,7 9.16	2,49,69.28

¹ Pertain to payment of salaries grants to Orissa University of Agriculture and Technology for Teaching and Non-Teaching staff.

Notes to Accounts

(These notes are in addition to any footnote that may already be included in the Finance Accounts)

1. Summary of significant accounting policies:

(i) Entity and Accounting Period:-

These accounts present the transactions of the Government of Orissa for the period 1st April 2010 to 31st March 2011.

(ii) Basis of Accounting:-

With the exception of some book adjustments contained in para-22 of this note, the accounts represent the actual cash receipts and disbursements during the account period. Assets are valued at historical cost and Government investment etc is shown at historical cost. Physical assets are not depreciated or amortized. The losses of physical assets at the end of its life is also not expensed or recognized.

The pension liability of the Government, i.e. the liability towards payment of retirement benefits for the past and the present service of its employees is not included in the accounts. However, the retirement benefits disbursed during the accounts period have been reflected in the accounts.

The expenditure on 'pension and other retirement benefits to State Government employees during the year was ₹40,11.00 crore (13.66 % of the total revenue expenditure). However, the employees recruited by the State Government with effect from January'2005 are eligible for New Pension Scheme. An amount of ₹13.92 crore towards employees' contribution and an equal amount towards employer's share has been deposited under the head '8342-Other Deposits-117-Defined Contribution Pension Scheme for Government Employees during the year. The State Government's liability on this account as on 31st March 2011 was ₹39.62 crore.

(iii) Currency in which Accounts are kept:-

The accounts of Government are maintained in Indian Rupee.

(iv) Form of Accounts:-

Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as the President may on the advice of the Comptroller and Auditor General of India, prescribes. The word "Form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) Classification between Revenue and Capital:-

Revenue expenditure is recurring in nature and is supposed to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character. Expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor. In the books of the recipient it is taken as revenue receipt.

Notes to Accounts

2. Recommendations of the 12th Finance Commission

The 12th Finance Commission has recommended for inclusion of some additional information in the form of eight Statements/ Appendices in the Finance Accounts. Out of them, seven have already been included in the Finance Accounts 2010-2011 in the shape of Statement, appendices and footnote.

Recommendation of 12th Finance Commission	Reference of the Statement / Appendix in Finance Accounts
i) Statement of subsidies given	Appendix-III both explicit and implicit subsidy
ii) Statement containing expenditure on salaries by various departments/units	Appendix-II / Statement No. 12 & 13
iii) Detailed information on pensioners and expenditure on Government pension.	Statement No.12 and footnote there under
iv) Statement containing information on debt and other liabilities as well as repayment schedule	Statement No.15
v) Statement on accretion and erosion of financial assets held by the Government including those arising out of changes in the manner of spending by the Government	Statement No.1
vi) Data on committed liabilities in future	(**)
vii) Implication of major policy decisions taken by the Government during the year or new schemes proposed in the budget for the future cash flow.	Item No. 26 to Notes to Accounts
viii) Maintenance expenditure with segregation of Salary and non-salary portion.	Appendix-XII

(**) This appendix could not be included due to non-availability of the requisite data.

3. Booking under minor head '800-Other Receipts and Other Expenditure'-

During the year 2010-2011, ₹33,00.17 crore under 57 major heads of account (both revenue and capital) has been classified under '800-Other Expenditure' constituting 9.81 % of the total expenditure incurred under the respective major heads. Similarly, an amount of ₹26,26.10 crore has been classified under '800-Other Receipts', which constitutes 7.89% of the total revenue receipts of the State. The details of such significant expenditure/receipts for more than 10% under the respective heads are at Annex to this Notes to Accounts.

There are two cases in booking of expenditure and 16 cases in booking of receipts where the total expenditure/receipts under respective major heads have been booked under 800-Other expenditure/receipts.

Notes to Accounts

4. Existence of unadjusted Abstract Contingency Bills (AC Bills)-

The Drawing and Disbursing Officers are authorised to draw lump sum amounts by preparing AC Bills and after actual expenditure of the money they are required to submit the Detailed Contingency Bills (vouchers in support of final expenditure) within a specified period. At the end of 31st March 2011, 8506 Nos. of AC Bills amounting to ₹46.42 crore are outstanding due to non-receipt of DC Bills in the office of Principal Accountant General (A&E). Year-wise break up is given below;

Year Total	Amount Drawn during the year (₹ in crore)	DC Bills wanting (₹ in Crore)	Percentage of outstanding amount	No. of A.C Bills against which D.C bills are pending
2003-2004	38.91	7.25	18.66	1149
2004-2005	24.57	2.74	11.15	442
2005-2006	14.48	1.06	7.32	266
2006-2007	39.51	2.44	6.18	337
2007-2008	23.31	1.45	6.22	287
2008-2009	51.72	4.63	8.95	487
2009-2010	48.95	4.92	10.05	659
2010-2011	35.54	21.92	61.68	4870
Total 2,76.99		46.41	16.76	8497

The major portion of pendency relates to Home Department (Jails) for an amount of ₹17.92 crore and 5860 items.

5. Utilisation Certificate of Grants-in-Aid vouchers

Grantee Institutions receiving Grants-in-Aid from the Government of Orissa are required to furnish the Utilisation Certificate to the office of the Principal Accountant General (A&E) countersigned by the disbursing authority. At the close of March 2011, an amount of ₹2,09,03.77 crore remained outstanding in the books of Principal Accountant General (A&E) for want of Utilisation Certificates. Year wise break up of wanting Utilisation Certificate is given below;

Year Total	Amount Drawn during the year (₹ in crore)	UC wanting (₹ in crore)	Percentage of outstanding amount	No. of GIA Vouchers awaiting Utilisation Certificate
2003-2004	14,85.63	12,66.66	85.26	13068
2004-2005	13,67.24	12,57.00	91.94	9554
2005-2006	18,62.52	15,86.06	85.16	13202
2006-2007	25,97.29	19,59.05	75.43	8074
2007-2008	36,96.03	29,90.27	80.90	9754
2008-2009	45,85.64	37,15.17	81.02	11064
2009-2010	52,73.70	41,82.86	79.32	9556
2010-2011	48,33.09	39,46.70	81.66	13017
Total 2,57,01.1	4	2,09,03.77	81.36	87289

Panchayatiraj Department, Higher Education Department, School and Mass Education Department and Housing and Urban Development Department top the list of defaulting departments who have not furnished the utilization certificates till 31st March 2011.

Notes to Accounts

6. Grant-in-Aid under Capital major heads

Grants-in-Aid to any institution/body must constitute the revenue expenditure of the Government. But during the year 2010-2011 a sum of ₹40.84 crore has been disbursed as Grants-in-Aid under following capital major heads of expenditure.

Head Amo	unt in crore
4059-Capital Outlay on Public Works	1.72
4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.10
4701-Capital Outlay on Medium Irrigation	0.02
4702-Capital Outlay on Minor Irrigation	19.00
5054-Capital Outlay on Roads and Bridges	20.00
TOTAL	40.84

No concrete reason for payment of Grants-in-aid by debiting to the Capital Major Heads has been furnished by the Government.

7. Transfer of funds to Personal Deposit Accounts

Transfer to Personal Deposit Accounts is primarily booked as expenditure under a functional major head in the Consolidated Fund of the State and then credited to the Major head 8443-Civil Deposit in the Public Account without any actual cash flow. The detail information on Personal Deposit Accounts during 2010-2011 is as follows: -

- i) No. of Personal Deposit Accounts existing at the beginning of the year – 926 for amount of ₹5,55.02 crore
- ii) No. of Personal Deposit Accounts opened in the year – Nil
- iii) No. of Personal Deposit Accounts closed during the year – Nil
- iv) No. of Personal Deposit Accounts existing at the close of the year – 926 for an amount of ₹5,75.08 crore

All the balances are reconciled every year through the Annual Balance Certificate issued by the Administrators and duly certified by the respective Treasury Officers.

During the year ₹12,64.18 crore was transferred to the Personal Ledger Accounts as against expenditure of ₹12,44.11 crore, resulting in a net increase of ₹20.07 crore to the cumulative balance. There are 86 nos. of Personal Deposit Accounts involving an amount of ₹7,63.90 lakhs which are inoperative for more than 3 years. They are in various stages of process of closure.

8. Reconciliation of Receipts and Expenditure: -

All the Controlling Officers are required to reconcile the receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E). Out of 154 Controlling Officers, 152 have reconciled the expenditure with the books of Principal Accountant General (A&E) involving an amount of ₹3,34,83.15 crore against the total expenditure of ₹3,36,53.05 crore. All the Controlling Officers have reconciled their receipts. Alteration proposals for ₹24,58.67 crore (7.31% to total expenditure) have been carried out against the total Revenue and Capital expenditure of the Government amounting to ₹3,36,53.05 crore. Alteration proposal for receipts amounting to ₹7,08.81 crore (2.13% to total receipts) have been carried out against the total revenue receipt of ₹3,32,76.16 crore.

9. Cash Balance: -

Cash Balance of the State Government as worked out by the office of the Pr. Accountant General (A&E) was ₹4,52.92 crore (Net Credit) on 31st March 2011. But the Cash Balance reported by the Reserve Bank of India on the same date was ₹4,66.33 crore (Net Debit). Thus there is a difference of ₹13.42 crore (Net Debit) between the two figures. The difference is mainly because of wrong reporting of transactions by the agency Banks to the Reserve Bank of India. Out of this difference, ₹11.34 crore has already been settled during the next accounting months of April, May and June 2011.

10. Guarantee Position: -

a) Guarantees reported in Statement No. 9 are on the basis of the information available in Appendix-VIII of the Explanatory Memorandum to the Budget documents 2011-2012 of Government of Orissa and information received from them. Guarantee redemption fund created for discharge of guarantee liabilities has a balance of ₹4,80.00 crore. However, the Government of Orissa has discharged guarantee liabilities for ₹7,41.19 crore by charging to different functional major heads during the year without reimbursing any amount from the redemption fund.

b) As per instruction of Govt. all Public Sector undertakings/Urban Local bodies/Co-operatives institutions and State owned companies etc. who have borrowed or intend to borrow against Govt. guarantee, will have to open an escrow account in a nationalized bank for timely repayment of guaranteed loans. As per the information received from Govt. only 12 institutions out of 163 have opened escrow account in different Nationalized bank.

11. Loans and Advances: -

In respect of Loans and Advances made by the Government, detailed accounts are not being maintained by most of the departments. However, information received from a few departments have been incorporated in Statement No. 7.

Notes to Accounts

12. Investment

Investments made by the Government in Statutory Corporations, Government Companies, Joint Stock Companies and Cooperatives Institutions in the form of equity and shares are shown in Statement No.14. In some cases, the information given in this statement on the basis of accounts compiled in this office do not agree with the figures maintained by departments. In 20 such cases in respect of 83 nos. of Corporation/Companies the concerned departments have not turned up for reconciliation of investment figures.

13. Review of Reserve Funds: -

A review of Reserve Funds was made where it is found that balances in respect of 23 such Reserve Funds out of 27 existing funds are rolling since long. The details of 13 major inoperative funds are given below: -

(₹ in thousand)

Sl. No	Major and Minor heads with nomenclature	Balance as on 31.03.2011		Year of last transaction
1.	8011-Insurance and Pension Funds 105-State Government Insurance Fund	Cr.	7	2003-2004
2.	8012-Special Deposit and Accounts 123-Special Deposit for employees Provident Fund Scheme (Administration Fund)	Cr.	1,63	2002-2003
3.	8013-Other Deposits and Accounts 01-Deposit Schemes for Retiring employees 101-Deposit Scheme for Retiring Govt. Employees, 1989	Cr.	38,81	1997-1998
4.	8115-Depreciation/Renewal Reserve Fund 103-Depreciation Reserve Funds-Govt. Commercial Departments and Undertakings	Cr.	4,82,08	1987-1988
5.	8121-General and Other Reserve Fund 101-General and Other Reserve Funds-Govt. Commercial Departments and Undertakings.	Cr.	1,88	1996-1997
6.	8229-Development and Welfare Funds 103-Development Funds for Agricultural purposes 109-Co-operative Development Funds, State Co-operative Development Fund 123-Consumer Welfare Fund	Cr. Cr. Cr.	11,24 2,00 25,24	1967-1968 1959-1960 2004-2005
7.	8235-General and Other Reserve Funds 102-Zamindary Abolition Fund 103-Religious and Charitable Endowment Funds 200-Other Funds: - Guarantee Reserve Fund, Passengers Amenities Reserve Fund	Cr. Cr. Cr. Cr.	59,19 1,51 2,50,28 6,00	1994-1995 1983-1984 1997-1998 1982-1983
8.	8449-Other Deposits 103-Subvention from Central Road Fund	Dr.	30,19	1984-1985

Notes to Accounts

14. Objection Book Suspense (Debit): -

Objection Book Suspense (Debit) is operated in the books of the Principal Accountant General (A&E), when the Schedule of payment is not supported with related voucher by the Treasury Officer/Account rendering unit. Year wise analysis of Objection Book Suspense at the close of March 2011 is given below: -

Year Amount	outstanding (₹ in Crore)
Pre 2003-04	8.08
2006-2007	0.16
2007-2008	3.85
2008-2009	6.83
2009-2010	4.69
2010-2011	4.99
TOTAL	28.60

15. Reconciliation and acceptance of balances: -

The balances under Loans and Advances made by the Govt., Contingency Fund and Public Account as appearing in Statement No. 16 & 18 are required to be accepted by the Departmental Officers after verification and reconciliation. In a no. of cases such acceptance have been delayed. Similarly the reconciliation of balances have not been done in a number of cases. These have been detailed in Annexure-A and B to Appendix-VIII.

16. Creation of Reserve Fund: -

No Reserve Fund has been created in the Public Account of the State without conformity with rules.

17. Suspense and Remittance:-

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under the various heads. The position of the gross figures under major suspense heads for the last three years is given below: -

8658-Suspense Account		(₹ in crore)				
Name of the Minor Head	2008-2009 2		009-2010 201		0-2011	
	Dr. C	r.	Dr. Cr.		Dr. Cr.	
101- PAO Suspense	40.03	2.16	36.20	1.96	49.55	2.00
Net	Dr. 37.87		Dr. 34.24		Dr. 47.55	
102-Suspense Account (Civil)	52.78	-0.75	54.27	7.80	46.41	3.17
Net	Dr. 53.43		Dr. 46.47		Dr. 43.24	
107-Cash Settlement Suspense Account	4.30	..	4.30	..	4.30	..
Net	Dr. 4.30 Dr.		4.30 Dr.		4.30	

Notes to Accounts

(₹ in crore)

Name of the Minor Head	2008-2009		2009-2010		2010-2011	
	Dr.	Cr. D	r. Cr.		Dr.	Cr.
109-RBS (Headquarters)	0.15	-0.12	-0.02	-0.38	-0.15	-1.33
Net	Dr. 0.27		Cr. 0.36		Dr. 1.18	
110-Reserve Bank Suspense – Central Accounts Office	69.03	73.67	56.19	56.89	62.92	40.51
Net	Cr. 4.64		Cr. 0.70		Dr. 22.41	
112-Tax Deducted at source (TDS) Suspense	..	61.36	..	1,16.40	..	1,31.85
Net	Cr. 61.36		Cr. 1,16.40		Cr. 1,31.85	
123-A.I.S Officers Group Insurance Schemes	0.27	0.46	0.38	0.58	..	0.22
Net	Cr. 0.19		Cr. 0.20		Cr. 0.22	
129-Material purchase settlement suspense account	0.89	42.47	..	41.48	..	41.48
Net	Cr. 41.58		Cr. 41.48		Cr. 41.48	
8782-Cash Remittance and Adjustments between officers rendering accounts to the same Accounts Officers						
102-Public Works Remittances	5,53.66	4,87.39	2,08.21	1,49.75	2,06.26	1,45.30
Net	Dr. 66.28		Dr. 58.46		Dr. 60.96	
103-Forest Remittances	2,44.76	2,55.72	--	44.95	..	44.17
Net	Cr. 10.96		Cr. 44.95		Cr. 44.17	

18. Contingency Fund: -

The corpus of the Orissa Contingency Fund is ₹4,00.00 crore. Out of the expenditure of ₹3,81.22 crore from the Fund during the year, ₹3,75.00 crore remained un-recouped till the close of the year. The total un-recouped amount at the close of the year is ₹3,88.08 crore.

19. Major Head 8670-Cheques and Bills: -

Credit balance under the major head 8670-Cheques and Bills indicates cheques issued remained un-encash to end of 31st March 2011. During 2010-2011 there was a clearance of balance to the extent of ₹12.66 lakh there by reducing the balance from ₹28.73 lakh to ₹16.07 lakh.

Notes to Accounts

20. Funds to Autonomous Bodies: -

The State Government provides funds to state and district level autonomous bodies for implementation of state schemes and centrally sponsored schemes (State share). The concerned autonomous bodies do not utilize the entire fund within the financial year and thus, there were unspent balances in their bank accounts. According to the information received from Forest and Environment Department, Works Department, Agriculture Department, S.T and S.C Development Department, Science and Technology Department, Textile and Handloom Department and Home Department an amount of ₹2,19,85.46 lakh has been kept in the bank account by different autonomous bodies under their control. Information from other departments of the Govt. have not been received.

21. Timely Rendition of Accounts: -

Significant improvement has come about in timely rendition of accounts by the accounts rendering units of the State. There has been delay of maximum 12 days in respect of one treasury for the accounts of April 2010 and 11 days in case of two treasuries for the accounts of September 2010. On other occasions the delay was less. However, on no occasion there has been exclusion of a treasury from the State's monthly accounts.

The delay in rendition of accounts by the P.W Divisions and Forest Divisions ranged from 1 day to 39 days and 1 to 31 days respectively during the year. However the all the Accounts of P.W Divisions and Forest Divisions have been included in Annual Accounts 2010-2011.

22. Significant Book Transfers during the Financial Year 2010-2011: -

Following are the Book Transfers carried out in the accounts of the year without any actual cash flow:

From Major Head	To Major Head	Amount in ₹	Nature
8229-Development and Welfare Funds-101-Development Fund for Educational Purposes	6202- Loans for Education, Sports, Art and Culture-203-University and Higher Education-Loan Stipends	55,60,000	Recoupment of Loan Scholarship from Development and Welfare Fund
8336- Civil Deposits	6202- Loans for Education, Sports, Art and Culture-04-Art & Culture	6,66,667	Repayment of Loan given to Odissi Research Centre from the deposited amount under 'Civil Deposits' head
2245- Relief on account of Natural Calamities	8235-General and Other Reserve Funds-111- State Disaster Response Fund	97,89,00,000	Contribution of State's Share to State Disaster Response Fund

Notes to Accounts

From Major Head	To Major Head	Amount in ₹	Nature
2245- Relief on account of Natural Calamities	8235-General and Other Reserve Funds-111- State Disaster Response Fund	293,69,00,000	Contribution of Centre's Share to State Disaster Response Fund
2245- Relief on account of Natural Calamities	8235-General and Other Reserve Funds-111- State Disaster Response Fund	200,00,00,000	Contribution from National Disaster Response Fund to State Disaster Response Fund
2245- Relief on account of Natural Calamities	8235-General and Other Reserve Funds-111- State Disaster Response Fund	10,51,42,000	Interest on invest of State Disaster Response Fund credited to the fund
8235-General and Other Reserve Funds-111-State Disaster Response Fund	2245-Relief on account of Natural Calamities-05- State Disaster Response Fund	585,32,19,151	Reimbursement of Relief Expenditure (initially met from the head 2245) from the State Disaster Response Fund
2048-Appropriation for Reduction or Avoidance of Debt	8222-Sinking Fund	7,24,000	Contribution to Sinking Fund against Housing Loans from LIC
2049-Interest Payments	8009-State Provident Fund	1051,50,79,609	Interest on Provident Fund credited to the Provident Fund head.
8443-Civil Deposit	0075-Miscellaneous General Services	35,90,15,445	Lapsed Deposit Credited to Government
8658-OB Suspense	Revenue & Capital Major heads	14,05,36,831	Clearance of Objection Book Suspense pertaining to previous years and booked under functional major heads
2225-Welfare of S.C, ST and OBCs	8443-800-Other Deposits	38,31,000	Shown as expenditure under the functional head in the Consolidated Fund and transferred to Personal Deposit Account

Notes to Accounts

From Major Head	To Major Head	Amount in ₹	Nature
3604-Compensation and Assignments to LBs & PRIs	8443-800-Other Deposits	1,05,923	Shown as expenditure under the functional head in the Consolidated Fund and transferred to Personal Deposit Account
6004-Loans and Advances from Central Govt.	0075-Miscellaneous General Services	374,67,12,850	Debt relief credited to revenue
4225-COL on Welfare of S.C, S.T and OBCs	8000-Orissa Contingency Fund	198,37,00,000	Recoupment of un-recouped balance of 2009-2010
2405-Fisheries	8000-Orissa Contingency Fund	59,75,525	Recoupment of un-recouped balance of 2009-2010
6859-Loans for Telecommunication and Electronic Industries 02-Electronics 190-Loans to Public Sector and Other undertakings Loans to Ms. Konark TV Ltd.	7615-Miscellaneous Loans 200-Miscellaneous	28,00,000	Repayment of guaranteed loan availed by Ms. Konark TV Ltd.
6702-Loans for minor irrigation 101-Surface water Interest free loan to OLIC	7615-Miscellaneous Loans 200-Miscellaneous	30,00,000	One time settlement of guaranteed loan availed by OLIC

Notes to Accounts

From Major Head	To Major Head	Amount in ₹	Nature
2059-Public Works- 721,04,53,031 2700- Major Irrigation 65,44,30,137 2702- Minor Irrigation- 9,57,20,406 2215- Water Supply and Sanitation – 53,13,72,942	2210-Medical & Public Health	1,71,92,112	8,49,19,76,516 Adjustment of T&P charges
	2216-Housing	1,07,18,46,639	
	3053-Civil Aviation	2,92,605	
	3054-Roads and Bridges	4,32,51,11,287	
	4059-Capital Outlay on Public Works	32,07,07,161	
	4202-Capital Outlay on Education Sports, Art and Culture	1,42,98,963	
	4210-Capital Outlay on Medical and Public Health	6,43,51,815	
	4216-Capital Outlay on Housing	16,34,62,896	
	4215-Capital Outlay on Water Supply and Sanitation	8,46,87,365	
	4217-Capital Outlay on Urban Development	10,93,293	
	5053-Capital Outlay on Civil Aviation	23,34,054	
	5054-Capital Outlay on Roads and Bridges	1,78,45,93,250	
	5452-Capital Outlay on Tourism	2,57,898	
	2701-Medium Irrigation	12,76,41,273	
	2711-Flood Control and Drainage	19,49,07,996	
	3056-Inland Water Transport	5,06,880	
4701-Capital Outlay on Medium Irrigation	14,03,55,246		
4702-Capital Outlay on Minor Irrigation	9,57,20,406		
4711-Capital Outlay on Flood Control Projects	8,26,15,377		
2059-Public Works- 11,67,79,84,775 2700-Major Irrigation- 1,05,68,97,564 2702- Minor Irrigation- 22,26,46,653 2215-Water Supply and Sanitation - 77,00,20,940	2210-Medical & Public Health	2,41,79,058	13,72,75,49,932 Adjustment of Establishment charges
	2216-Housing	1,35,85,53,555	
	3053-Civil Aviation	3,79,734	
	3054-Roads and Bridges	5,56,48,95,455	
	4059-Capital Outlay on Public Works	74,13,32,358	
	4202-Capital Outlay on Education Sports, Art and Culture	3,33,81,186	
	4210-Capital Outlay on Medical and Public Health	14,85,52,705	
	4216-Capital Outlay on Housing	34,90,90,272	
	4215-Capital Outlay on Water Supply and Sanitation	19,77,66,365	
	4217-Capital Outlay on Urban Development	25,51,014	
	5053-Capital Outlay on Civil Aviation	54,46,122	
	5054-Capital Outlay on Roads and Bridges	4,15,61,80,805	
	5452-Capital Outlay on Tourism	6,01,758	
	2701-Medium Irrigation	15,89,87,706	
	2711-Flood Control and Drainage	24,29,81,682	
	3056-Inland Water Transport	6,26,142	
4701-Capital Outlay on Medium Irrigation	32,67,09,501		
4702-Capital Outlay on Minor Irrigation	22,26,46,653		
4711-Capital Outlay on Flood Control Projects	19,26,87,861		

Notes to Accounts

23. Treasury Challan under 1601-GIA from Central Government: -

Mode of receipt of Grant-in-Aid from the Government of India is balance transfer by Reserve Bank of India, Central Accounts Section, Nagpur based on advice of the concerned Ministry. The credit received through clearance memo from the R.B.I are accounted for under the head 1601-GIA from Central Government. It is seen that following treasuries have credited to the head through challan deposits.

Month Tr	Treasury	Amount credited under 1601-GIA
October-2010	Orissa Legislative Assembly	1,18,382
November-2010	Cuttack Special	21,00,000
December-2010	Keonjhar	13,28,000

24. Off Budget Borrowings (Special purpose vehicles): -

At times the State Govt. undertakes implementation of specified projects/schemes through different Development Authorities or other State Govt. Agencies. These Development Authorities or Agencies borrow money from Banks/Financial Institutions for execution of the projects/schemes, but the repayment of principal and interest there on is the primary responsibility of the State Govt. This is called Off Budget borrowing. Since 1991-1992 an amount of ₹2,50.42 crore has been raised through Off Budget borrowings, but the entire borrowings have been liquidated by 31st March 2008. No Off Budget Borrowing was made during the year 2010-2011.

25. Arrears of Tax and Non-Tax Revenue

In spite of several initiatives taken by Govt. there remained arrears in collection of revenues (both Tax and Non-Tax) at the end of 2010-2011 by different departments. As per the information received from the Government an amount of ₹44,59,66.82 lakh (Tax revenue and Non-Tax revenue) is pending for recovery.

Name of the Department/Organisation	Source of Revenue	Tax/Non-Tax	Amount remained in arrear as on 31.03.2011 (₹ in lakh)	Reasons if any
Tax Revenue				
Finance Department	0028-Professional Tax		1,76.86	
Board of Revenue	0029-Land Revenue		24,22.75	
I.G.R	0030-Stamps & Registration Fee		74,24.75	
Excise Department	0039-State Excise		21,40.00	
Commercial Taxes Organisation	0040- OST VAT CST		10,59,62.30 4,29,92.89 24,39,60.95	Stayed by department / authorities, covered by show cause court cases and certificate cases

Notes to Accounts

Name of the Department/ Organisation	Source of Tax/Non-Tax Revenue	Amount remained in arrear as on 31.03.2011 (₹ in lakh)	Reasons if any
Tax Revenue			
Commerce & Transport (Transport) Department	0040- Taxes on vehicles	86,56.79	Show cause stayed by deptt authorities court case and certificate case
	0042- Entry Tax	1,42,73.36	
Energy Department	0043-Taxes and Duties on Electricity	10,49.88	
Commercial Taxes Organisation	0045- Entertainment Tax	7,02.68	Show cause, stayed by departmental authorities, court case and certificate case
	Luxury Tax	0.89	
TOTAL TAX REVENUE		42,97,64.10	

Non-Tax Revenue			
Home Department	0055-Police	35,62.16	-
	0056-Jails	0.16	-
	0070-Other Administrative Services	10,18.99	-
General Administration Department	0216-Housing	7,38.38	court case and certificate case
Forest & Environment Department	0406-Forestry and Wild life	77,77.00	-
Water Resources Department	0701-Medium Irrigation	20,56.25	-
Directorate of Mines	0853-Non-Ferrous Mining and Metallurgical Industries	10,49.78	Certificate case, Court case, Dispute, Waival proposal
TOTAL NON-TAX REVENUE		1,62,02.72	
GRAND TOTAL		44,59,66.82	

The arrears of Tax and Non-tax Revenue of the State during 2010-2011 works out to 16.85% of the Total Tax and Non-Tax Revenue collected during the year.

26. Implication of Major Policy Initiatives and implementation of flagship programmes: -

The Global Economic recession had slowed down the Economic activities throughout the World. It had its impact on the Indian Economy as well. The State too was not immune from its impact. However, the State Govt. has implemented several flagship programmes and some major policy initiatives of its own in recent years for the benefit of the poor and downtrodden sections of the societies. The followings are some of them.

Major Policy Initiatives:

i) Introduction of Cash Management System: -

State Govt. have decided to introduce Cash Management System through monthly expenditure plan and quarterly expenditure allocation in the financial year, 2010-2011. The new system has the following objectives.

- a) Even pacing of expenditure within the financial year.
- b) Reduce rush of expenditure during the last quarter especially in the last month of the financial year.
- c) Front loading of expenditure in the 1st three quarters of the financial year so that corrective measures can be taken in the mid year to achieve the fiscal objectives.
- d) Curb the tendency of parking of funds outside Government Account.
- e) Effective monitoring of the expenditure pattern.
- f) Improve the quality of expenditure
- g) Better Ways & Means Management

This system is in operation in respect of 10 demands for grants (large spending departments) from the financial year 2010-2011.

ii) Introduction of outcome Budget: -

Mere provision in the budget is not sufficient. It should produce the desired output and outcome so that the common man is benefited. In other words, there is a need to link outputs and outcomes. In this context, it has been decided to bring out Outcome Budget of Works, Water Resources, Rural Development, Women & Child Development and Panchayati Raj Department in 2010-2011. Accordingly outcome budget in respect of these departments have been brought out in 2010-2011 linking outlays to outcomes and made available to the Departmentally Related Standing Committees.

iii) Treasury Computerization: -

Orissa Treasury Management System (OTMS), an application system to run the Treasuries has been introduced all over the State from 2006. To keep pace with the State of Art Technology and the requirements for making the Treasury system more user friendly, efficient and as per guidance and suggestions of the Finance Department, a system called Integrated Orissa Treasury Management System (iOTMS) has been introduced from April, 2010.

The iOTMS has features like Web based allotment system, Centralized management Information System, Bank Interface, A.G Interface, DDOs Interface etc.

iv) Reforms initiatives in Commercial Tax Organization: -

Commercial Tax Department has undertaken comprehensive computerization of the department with a view to provide prompt and efficient services to the dealers. The department has launched its own web portal namely 'orissatax.gov.in'. Dealers now can get various e-services from the Commercial Tax Department online, including payment of taxes and filing of returns electronically through this portal. This will reduced cost of compliance of the dealers and will there by facilitate growth of trade and industry in the State.

The following e-services are available: -

- e Return-for filing of Tax returns under VAT/ET/CST Acts
- e-Registration-Application for new registration, amendment/cancellation of existing registration.
- e-Payment-payment of taxes online (through SBI portal and Treasury portal)
- e-Forms/issue of statutory forms (way bills and other statutory forms)

v) Launching of New website (e-BHABISYANIDHI): -

A new official website of Controller of Accounts, Orissa, Bhubaneswar called "e-BHABISYANIDHI" was launched on 19th October 2010 by the Hon'ble Minister of Finance and Excise.

It is a web based management information system for the benefit of stakeholders like Citizen, Teacher/Lecturers of Aided and taken over educational institution of the Govt. It provides information relating to General Provident Fund and Pensionary benefits of the teachers/lecturers and staff of schools and colleges. The website while providing the above information also provides information about the office of the Controller of Accounts, Orissa, its role and general information. The website not only provide information to the stakeholders, but also aims at greater interaction with them for an increase in efficiency and transparency in the administration.

vi) Annual Maintenance Plan: -

It has been decided to formulate Annual Maintenance Plan to put in place appropriate institutional reforms for effective and productive utilization of the budgeted provision for Operation and Maintenance indicating the criteria to be followed for allocation of budgeted provision among the functional and administrative units, routine and periodic maintenance, monitoring and oversight arrangement.

vii) Revenue enhancement measures: -

In order to maximize tax and non-tax revenue collection of the State, it is required to have a thorough study for systematic improvement of the revenue administration. Keeping this in view the State Govt. have setup a committee to go through the State's tax and non-tax revenue system and suggest Ways and Means for improvement of revenue base of the State.

Implementation of flagship programmes: -

i) Utilization of groundwater resource: -

Many drought prone areas of the States are happily endowed with rich groundwater resources. In order to harness this untapped potential State Govt. has decided to launch a new scheme for utilization of groundwater. Accordingly provision of ₹1,00.00 crore has been made during 2010-2011 for implementation of this scheme in 166 Blocks of 17 Districts through Orissa Lift Irrigation Corporation. Tender process completed and work order issued for 4000 Deep Bore Wells.

ii) Construction of Check Dams: -

As Major and Medium irrigation project require large capital investment and involve other problems like resettlement etc. it has been necessary to focus on fast track irrigation project with short gestation area. Accordingly it has been proposed for construction of 1000 check dams to conserve water at the end of monsoon for irrigation, drinking water and groundwater recharge. ₹1,00.00 crore has been provided in the Budget for 2010-2011. Construction of 271 check dam has been completed and balances 648 are in progress.

iii) Improvement in Power Distribution System: -

The benefit of power sector reform could not be realized owing to lack of adequate investment in transmission and distribution segment. It has been decided to provide ₹2,05.00 crore for system improvement and strengthening of distribution system.

Guidelines for CAPEX programme has been issued by Energy Department on 21.10.2010. A project monitoring committee has been constituted under Chairmanship of the Commissioner-cum-Secretary, Energy Department. Approval has been given for release of the Budgeted funds to DISCOMs.

iv) Biju Saharanchal Vidyutkaran Yojana: -

The Govt. have launched a new scheme namely 'Biju Saharanchal Vidyutkaran Yojana' with a proposed allocation of ₹18.00 crore for electrification of BPL households/wards/villages/slums within the limits of Urban Local Bodies. Budgeted fund have been released to the District Collectors for implementation of programme.

v) Waiver of royalty on minor minerals: -

The Govt. have decided to waive royalty on minor minerals used for implementation of the anti-poverty programmes i.e. NREGS, IAY and Mokudia so as to increase the ways component under NREGS and keep the unit cost of houses under IAY and Mokudia within the approved cost. This proposals of waiver of royalty on minor minerals has been approved by the Cabinet on 11.02.2011. The process to bring out notification under OMMC Rules is under process.

vi) Implementation of IGEA Scheme: -

Efficient use of energy is one of the many ways for ensuring energy security. So the Govt. have proposed to provide ₹6.64 crore for undertaking various energy conservation activities in Stat Govt. offices, Urban Local Bodies and Public Sector Undertakings. Guidelines for implementation of the Investment Grade Energy Audit (IGEA) Scheme has been issued. As per action plan IGEA of 20 Govt. buildings including OLA, Orissa Secretariat, Raj Bhawan, Capital Hospital etc. has been completed.

27. Debt waiver: -

The twelfth Finance Commission had recommended that the State Govt. be extended Debt Consolidation and Relief facility (DCRF) on fulfillment of certain financial targets with reference to GSDP as disclosed in the FRBM Act. Accordingly, the Central monitoring Committee has recommended waiver of ₹3,74.67 crore pertaining to the year 2009-2010 on repayment of consolidated loans. The amount has been credited to the Major Head “0075-Miscellaneous Services” by debiting to the Major Head 6004-Loans and Advances from Central Govt. during 2010-2011 by book adjustment.

28. Release of State share for various Central Schemes: -

An amount of ₹6,63,26.39 lakh (₹5,80,85.43 lakh in Revenue Account and ₹82,40.96 lakh in Capital Account) has been released by the Govt. as State matching share towards various Central Schemes for which ₹15,67,90.31 lakh has been released by Govt. of India as Central Share.

ANNEX TO NOTES TO ACCOUNTS

Other Expenditure for the Year 2010-2011

(₹ in lakh)

Major Head and description		Total Expenditure under the major head	800-Other Expenditure	Percentage to Total Expenditure under the Major Head
5054	Capital Outlay on Roads and Bridges	128705.44	62871.17	48.85%
2245	Relief on account of Natural Calamities	60345.67	44327.18	73.46%
2515	Other Rural Development Programmes	94240.74	37163.44	39.43%
2401	Crop Husbandry	87496.45	34268.22	39.17%
4701	Capital Outlay on Medium Irrigation	37564.15	18306.60	48.73%
4700	Capital Outlay on Major Irrigation	95817.92	18145.18	18.94%
4702	Capital Outlay on Minor Irrigation	16578.17	12296.80	74.17%
2801	Power	19649.81	10209.88	51.96%
2711	Flood Control and Drainage	10703.56	10176.99	95.08%
3454	Census Surveys and Statistics	9350.59	8538.16	91.31%
2702	Minor Irrigation	27204.66	8250.34	30.33%
4575	Capital Outlay on other Special Areas Programmes	18351.27	7975.97	43.46%
2700	Major Irrigation	25418.83	7760.50	30.53%
2701	Medium Irrigation	6164.84	2946.46	47.79%
2501	Special Programmes for Rural Development	15252.26	2871.05	18.82%
2402	Soil and Water Conservation	13645.03	2600.91	19.06%
2059	Public Works	22894.59	2534.70	11.07%
2075	Miscellaneous General Services	1524.67	1524.67	100.00%
4801	Capital Outlay on Power Projects	8324.45	1130.00	13.57%
2013	Council of Ministers	431.21	345.79	80.19%
4217	Capital Outlay on Urban Development	486.42	287.29	59.06%
2015	Elections	2047.18	218.76	10.69%
4250	Capital Outlay on other Social Services	1242.00	184.60	14.86%
3055	Road Transport	160.09	160.09	100.00%
2885	Other Outlays on Industries and Minerals	98.99	74.48	75.24%

ANNEX TO NOTES TO ACCOUNTS

Other Receipts for the Year 2010-2011

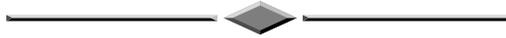
(₹ in lakh)

Major Head and description		Total Receipts under the major head	800-Other Receipts	Percentage to Total Receipts under the Major Head
0039	State Excise	109425.56	109425.56	100.00%
0075	Miscellaneous General Services	41228.99	41227.38	100.00%
0041	Taxes on Vehicles	72758.13	10341.06	14.21%
1054	Roads and Bridges	7073.55	7073.55	100.00%
0059	Public Works	4879.12	4877.79	99.97%
0701	Medium Irrigation	3780.21	3259.68	86.23%
0071	Contributions and Recoveries towards Pension and Other Retirement benefits	3658.06	2990.85	81.76%
1456	Civil Supplies	1200.45	1200.45	100.00%
0216	Housing	1224.25	993.50	81.15%
0702	Minor Irrigation	911.27	911.27	100.00%
0210	Medical and Public Health	1954.88	851.37	43.55%
0230	Labour and Employment	859.32	846.40	98.50%
0401	Crop Husbandary	846.51	845.49	99.88%
1475	Other General Economic Services	671.64	634.37	94.45%
0250	Other Social Services	610.86	609.92	99.85%
0055	Police	3844.81	547.46	14.24%
0070	Other Administrative Services	1105.70	519.75	47.01
0425	Co-operation	218.34	218.08	99.88%
0801	Power	206.87	165.50	80.00%
0405	Fisheries	127.59	89.03	69.78%
0056	Jails	66.64	66.64	100.00%
0220	Information and Publicity	66.43	66.43	100.00%
0217	Urban Development	64.64	64.64	100.00%
0851	Village and Small Industries	48.02	45.42	94.59%
0235	Social Security and Welfare	42.57	42.55	99.95%
1051	Ports and Light Houses	37.87	37.87	100.00%
0435	Other Agricultural Programmes	88.62	31.38	35.41%
0211	Family Welfare	32.50	29.49	90.74%
0506	Land Reforms	26.25	26.25	100.00%
0403	Animal Husbandary	99.30	22.59	22.75%
1452	Tourism	22.19	22.12	99.68%
0852	Industries	11.73	11.73	100.00
0515	Other Rural Development Programmes	10.87	10.87	100.00%

ANNEX TO NOTES TO ACCOUNTS

Other Receipts for the Year 2010-2011*(₹ in lakh)*

Major Head and description		Total Receipts under the major head	800-Other Receipts	Percentage to Total Receipts under the Major Head
1053	Civil Aviation	10.77	10.77	100.00%
1056	Inland Water Transport	28.84	3.86	13.38%
0047	Other Fiscal Services	0.28	0.28	100.00%
0802	Petroleum	0.2	0.2	100.00%
0408	Food Storage and Warehousing	0.1	0.1	100.00%



Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES

	As on 31 st March 2011	As on 1 st April 2010
1 2		3
		<i>(₹ in lakh)</i>
a) General Cash Balance		
1. Cash in Treasuries	..	..
2. Deposits with the Reserve Bank ¹	-4,52,91.50	-3,84,19.85
	@	
3. Remittances in Transit	..	..
TOTAL	-4,52,91.50	-3,84,19.85
4. Investments held in the Cash Balance – Investment Account	55,94,57.27	48,03,59.31
TOTAL (a)	51,41,65.77	44,19,39.46
b) Other Cash Balances and Investments		
1. Cash with Departmental Officers (viz. Officers of Forest, Public Works Departments, etc.)	47,94.59	49,09.63
2. Permanent Advances for contingent expenditure with Departmental Officers	31.40	31.42
3. Investments of Earmarked Funds.	48,13,00.00	48,13,00.00
TOTAL (b)	48,61,25.99	48,62,41.05
TOTAL (a) and (b)	1,00,02,91.76	92,81,80.51

Note: ¹ The Balance under Head 'Deposits with Reserve Bank' is arrived at after taking into account the Inter-Government monetary settlements pertaining to transactions of the financial year 2010-2011 advice to the R.B.I till 16th April 2011.

Note: [@] There was a difference of ₹13,41.54 lakh (Net Debit) between the figures reflected in the Accounts ₹4,52,91.50 lakh (Net Credit) and that intimated by the Reserve Bank of India ₹4,66,33.04 (Net Debit) relating to deposits with Reserve Bank of India included in the Cash Balance. After reconciliation and adjustment the difference to the extent of ₹2,07.69 lakh (Net Debit) remains to be reconciled (June-2011).

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CASH BALANCES AND INVESTMENT OF CASH BALANCES

Explanatory Notes

(a) Cash and Cash Equivalents: Cash and cash equivalents consist of cash in treasuries and deposit with Reserve Bank of India and other Banks and Remittances in Transit, as stated below. The balance under the head 'Deposits with Reserve Bank' depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/reserve funds etc are added to the balance in 'Deposits with RBI'.

(b) Daily Cash Balance: Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹1.28 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time.

For arriving at the daily cash balance² for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 day treasury bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 day Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. **If the net cash balance arrived at results in less than the minimum cash balance** or a credit balance and if there are no 14 day treasury bills maturing on that day, RBI rediscounts the holdings of the 14 day Treasury Bills and makes good the shortfall. If there is no holding of 14 day Treasury Bills on that day the State Government applies for Ways and Means Advances/Special Ways and Means Advances/ Over Draft.

Note ² - The cash balance ('Deposits with RBI') above is the closing cash balance of the year as on 31st March 2011 but worked out by 16th April 2011 and not simply the daily balance on 31st March 2011.

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CASH BALANCES AND INVESTMENT OF CASH BALANCES

The Bank has also agreed to give Special (secured) Ways and Means advances against pledge of Government securities. The operative limit of Special Ways and Means Advances is determined by the loanable value for holdings of Government of India Securities by Government of Orissa.

The Reserve Bank of India has revised the scheme of Ways and Means advances for the State Govt. w.e.f. 01.04.2006. The special features of the scheme are as follows:-

- (i) States have to avail special Ways and Means Advances prior to availing normal WMA.
- (ii) The rate of interest on special WMA will be one percent below Repo Rate.
- (iii) The rate of interest on normal WMA would be Repo Rate for 1 to 90 days and one percent above the Repo Rate for the period beyond 90 days.

The rate of interest on overdraft would be two percent above Repo Rate for overdraft up to 100 percent of the normal WMA limit and five percent above Repo Rate for overdraft exceeding 100 percent of the normal WMA limits.

(c) The limit for ordinary ways and means advances to the State Government was ₹3,00.00 crore with effect from 1st April 2010. The Bank has also agreed to give special ways and means advances against the pledge of Government Securities. The limit of special ways and means advances are revised by the Bank from time to time.

(d) The extent to which the Government maintained the minimum cash balance with the Reserve Bank during 2010-11 is given below:-

- | | |
|--|-----|
| (i) Number of days on which the minimum balance was maintained without taking any advance | 365 |
| (ii) Number of days on which the minimum balance was maintained by taking ordinary ways and means advance | Nil |
| (iii) Number of days on which the minimum balance was maintained by taking special ways and means advances | Nil |
| (iv) Number of days on which there was shortfall in minimum balance even after taking the above advances, but no overdraft was taken | Nil |
| (v) Number of days on which overdrafts were taken | Nil |

Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES

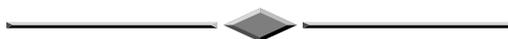
(e) The investments held in the cash balance Investment Account as on 31st March 2011 were for ₹55,94,57.27 lakh. These were invested in Government of India securities and Treasury Bills and Industrial Finance Corporation Bonds. The interest realised during the year on such investment was ₹2,26,72.17 lakh, which included ₹2,23,14.15 lakh being interest on fourteen days Treasury Bills rediscounted during 2010-2011.

(f) Details of Cash Balance Investment Account:

(a)	Govt. of India Stock -	₹40,50.34 lakh
(b)	14 days Govt. of India Treasury Bills	₹50,71,21.93 lakh
(c)	<u>182 days Govt. of India Treasury Bills</u>	<u>₹4,82,85.00 lakh</u>
	TOTAL	₹55,94,57.27 lakh

(g) The investment from out of the earmarked funds at the end of the year was ₹48,13,00.00 lakh, details of which are given in the Annexure to Statement No. 19.

(h) The interest on investment held in cash balance investment account and earmarked funds are calculated by the Reserve Bank of India.



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