



ACCOUNTS AT A GLANCE 2015-16



GOVERNMENT OF ODISHA

ACCOUNTS AT A GLANCE

2015-16

GOVERNMENT OF ODISHA

PREFACE

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

The Annual Accounts of the State Government are prepared and examined under the direction of the 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 Principal 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 10.11.2016

(REEMA PRAKASH)
Principal Accountant General (A&E)

Our Vision, Mission and Core Values

The **Vision** of the institution of the Comptroller and Auditor General of India represents what we aspire to become:

We strive to be a global leader and initiator of national and international best practices in Public Sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Our **Mission** enunciates our current role and describes what we are doing today:

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders – the Legislature, the Executive and the Public-that public funds are being used efficiently and for the intended purposes.

Our **Core Values** are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.

Independence
Objectively
Integrity

Positive Approach

Reliability
Professional Excellence
Transparency

TABLE OF CONTENTS

		Page No.
Chapter I	Overview	1 - 10
1.1	Introduction	1
1.2	Structure of Accounts	1
1.3	Finance Accounts and Appropriation Accounts	3
1.4	Sources and Application of Funds	4
1.5	Highlights of Accounts	7
1.6	What do the Deficits and Surpluses indicate	8

Chapter II	Receipts	11 – 18
2.1	Introduction	11
2.2	Revenue Receipts	11
2.3	Trend of Receipts	12
2.4	Performance of State's Own Tax Revenue Collection	14
2.5	Efficiency of Tax Collection	15
2.6	Trend in State's share of Union Taxes	15
2.7	Grants-in-Aid	16
2.8	Public Debt	17

Chapter III	Expenditure	19 – 22
3.1	Introduction	19
3.2	Revenue Expenditure	19
3.3	Capital Expenditure	21

Chapter IV	Plan & Non-Plan Expenditure	23 – 25
4.1	Distribution of Expenditure	23
4.2	Plan Expenditure	23
4.3	Non-Plan Expenditure	24
4.4	Committed Expenditure	25

TABLE OF CONTENTS

Chapter V	Appropriation Accounts	Page No.
5.1	Summary of Appropriation Accounts	26
5.2	Trend of Savings/Excess during the past 5 years	27
5.3	Significant Savings	27

Chapter VI	Assets and Liabilities	30 – 32
6.1	Assets	30
6.2	Debt and Liabilities	30
6.3	Guarantees	32

Chapter VII	Other Items	33 – 36
7.1	Loans and Advances by the State Government	33
7.2	Financial Assistance to Local Bodies and Others	33
7.3	Cash Balance and Investment of Cash Balance	33
7.4	Reconciliation of Accounts	34
7.5	Submission of Accounts by Treasuries	34
7.6	Abstract Contingent Bills and Detailed Contingent Bills	34
7.7	Commitment on Account of Incomplete Works	35
7.8	Rush of Expenditure	35

Chapter I

OVERVIEW

1.1. Introduction

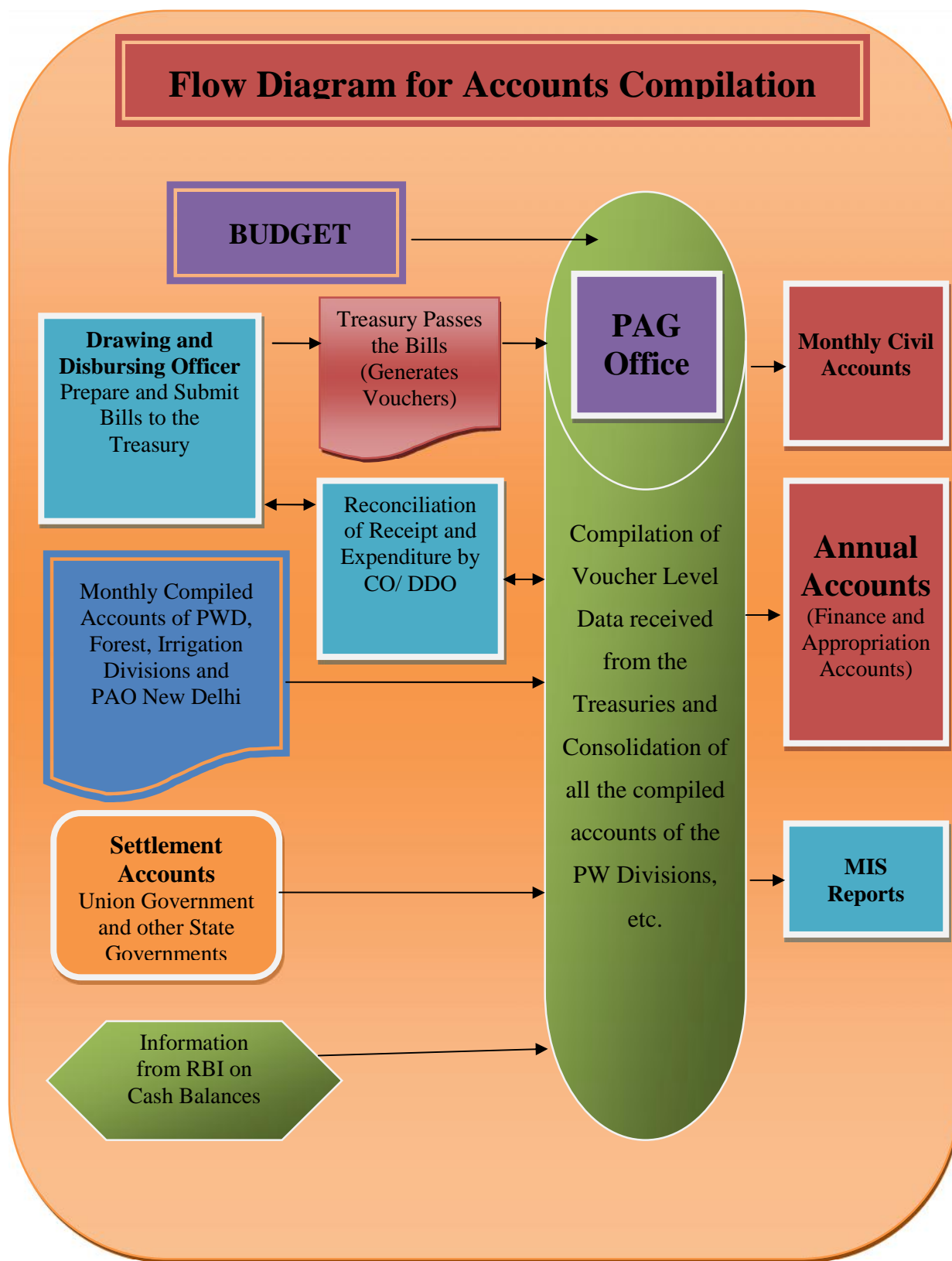
The Principal Accountant General (Accounts and Entitlements), Odisha compiles the accounts of Receipts and Expenditure of the Government of Odisha. This compilation is based on the initial accounts rendered by the District/Sub/Special Treasuries, Public Works and Forest Divisions and advices of the Reserve 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:

Part I CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Account, Public Debt, Loans and Advances, Inter State Settlement and Appropriation to Contingency Fund.
Part II CONTINGENCY FUND	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.
Part III PUBLIC ACCOUNT	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.

1.2.2. Compilation of Accounts



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

The Finance Accounts present the Accounts of the Receipts and outgoings of the Government for the year, together with the financial results, disclosed by the Revenue and Capital Accounts, the Accounts of the Public Debt and the Liabilities and Assets of the Government concerned, as worked out from the balances 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, Summarised 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 Detailed Statements (Part-I) and Appendices (Part-II).

Receipts and Disbursements of the Government of Odisha as depicted in the Finance Accounts 2015-16 are given below:

(₹ in crore)			
Receipts Total : 7,62,34	Revenue	Tax Revenue	4,61,01
	Total : 6,89,41	Non Tax Revenue	87,11
		Grants-in-Aid	1,41,29
	Capital	Recovery of Loans and Advances	2,28
	Total : 72,93	Borrowings and other Liabilities*	70,65
Disbursements Total : 7,62,34	Revenue		5,88,06
	Capital		1,70,91
	Loans and Advances		3,37

* 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 ₹2,82crore (₹2,07 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 VI of Volume II of the Finance Accounts.

1.3.2. Appropriation Accounts

The Appropriation Accounts depicts the Expenditure of the State Government against amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are four Charged Appropriations and 40 Voted Grants.

The Appropriation Acts, 2015-16, had projected for Gross Expenditure of ₹9,73,53 crore and Reduction of Expenditure (Recoveries) of ₹25,68 crore. Against this, the actual Gross Expenditure was ₹8,06,36 crore and Reduction of Expenditure was ₹15,22 crore, resulting in net Savings of ₹1,67,17 crore (17.17 per cent) and an Excess Estimation of ₹10,46 crore (40.73 per cent) on Reduction of Expenditure. The Gross Expenditure includes ₹62 crore drawn on Abstract Contingent (AC) Bills during the year, with total Detailed Contingent (DC) Bills for ₹44 crore still outstanding at the end of the year.

During 2015-16, an amount of ₹ 20,64.11 crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by the 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 crore) maintained with the RBI.

1.4.2. Fund Flow Statement

The State had a Revenue Surplus of ₹1,10,36 crore and a Fiscal Deficit of ₹70,64 crore representing 3 per cent and 2 per cent respectively of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted nine per cent of the Total Expenditure. Around 10 per cent of the Revenue Receipts (₹5,69,98 crore) of the State Government was spent on Committed Expenditure like Salaries (₹1,40,58 crore), Interest Payments (₹33,43 crore) and Pensions (₹63,46 crore).

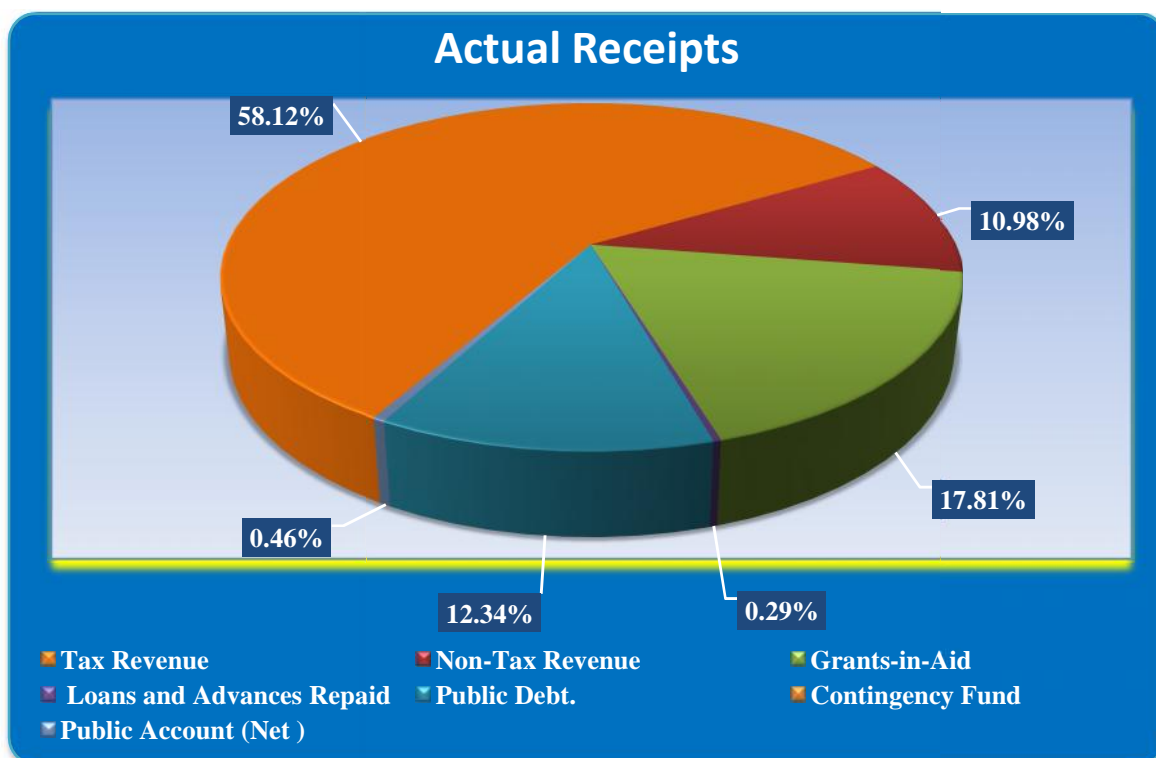
¹ GSDP for 2015-16 is ₹33,23,29 crore (Advance Estimate) as intimated by Directorate of Economics and Statistics, Odisha, Bhubaneswar vide their letter No.2230/DES/SID-13/2013 dated 29.03.2016.

Sources and Application of Funds

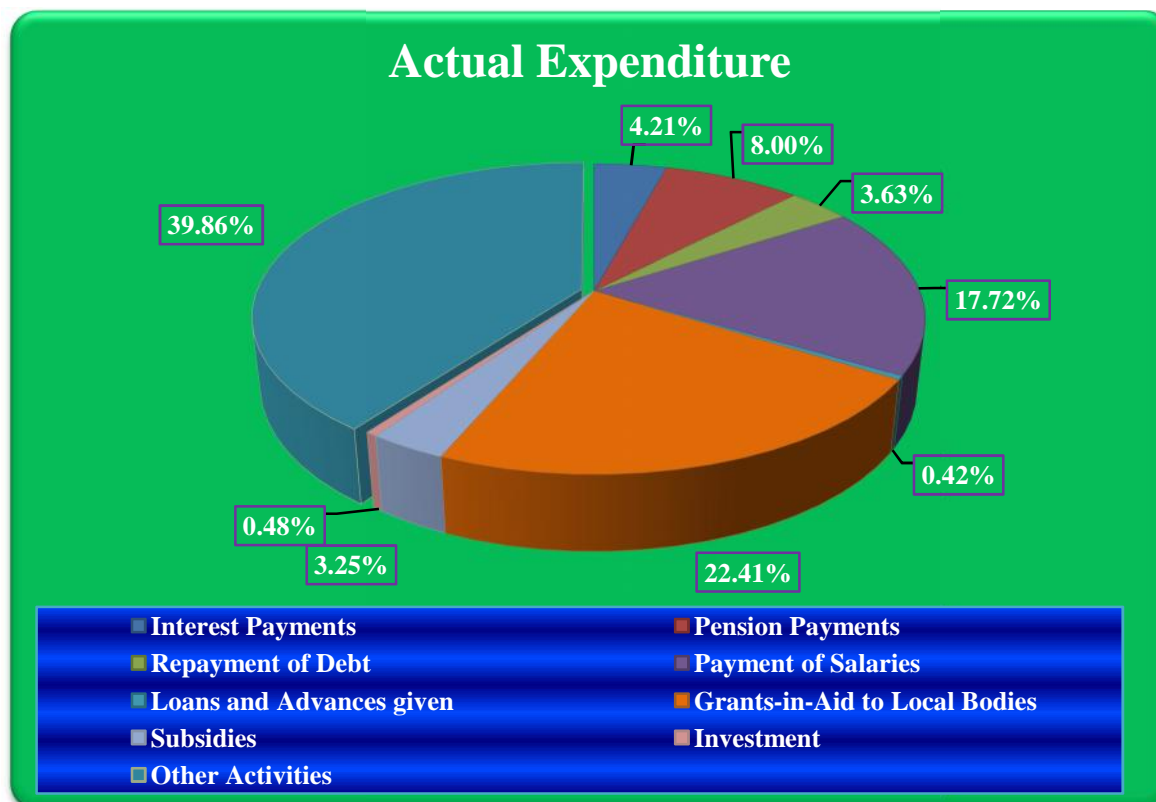
(₹ in crore)

SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2015	5,79
	Revenue Receipts	6,89,41
	Loans & Advances Repaid	2,28
	Public Debt	97,90
	Small Savings, Provident Funds & Others	40,88
	Reserves & Sinking Funds	19,33
	Deposits Received	69,76
	Civil Advances Repaid	2,24
	Suspense Account	13,46,04
	Remittances	1,77,04
	Contingency Fund	...
	TOTAL	24,50,67
APPLICATION	Revenue Expenditure	5,88,06
	Capital Expenditure	1,70,91
	Loans & Advances Given	3,37
	Repayment of Public Debt	28,81
	Small Savings, Provident Funds & Others	22,53
	Reserves & Sinking Funds	16,47
	Deposits Spent	67,45
	Civil Advances Given	2,24
	Suspense Account	13,65,38
	Remittances	1,77,55
	Contingency Fund	1,23
	Closing Cash Balance as on 31.3.2016	6,67
	TOTAL	24,50,67

1.4.3. Where the ₹ came from?



1.4.4. Where the ₹ went?



1.5. Highlights of Accounts

	B.E 2015-16	Actuals	Percentage of actuals to B.E	Percentage of actuals to GSDP (b)
	(₹ in crore)			
1. Tax Revenue (a)	4,08,60	4,61,01	113	14
2. Non-Tax Revenue	90,14	87,11	97	3
3. Grants-in-Aid & Contributions	2,10,67	1,41,29	67	4
4 .Revenue Receipts (1+2+3)	7,09,41	6,89,41	97	21
5. Recovery of Loans and Advances	2,40	2,28	95	0
6. Borrowings & other Liabilities (e)	1,30,00	70,65	54	2
7. Capital Receipts (5+6)	1,32,40	72,93	55	2
8. Total Receipts(4+7)	8,31,81	7,62,34	92	23
9. Non-Plan Expenditure (d)	4,39,56	3,56,45	81	11
10. NPE on Revenue Account	4,08,92	3,55,35	87	11
11. NPE on Interest Payments out of (10)	43,50	33,43	77	1
12. NPE on Capital Account	1,58	1,10	70	0
13. Plan Expenditure (f)	4,05,31	4,05,89	100	12
14. PE on Revenue Account	2,49,47	2,32,71	93	7
15. PE on Capital Account	1,55,85	1,73,18	111	5
16. Total Expenditure (9+13)	8,44,88	7,62,34	90	23
17. Revenue Expenditure (10+14)	6,58,39	5,88,06	89	18
18. Capital Expenditure (12+15) (c)	1,86,49	1,74,28	93	5
19. Revenue Surplus (4-17)	51,02	1,01,36	199	3
20. Fiscal Deficit (4+5-16)	(-) 1,04,00	(-) 70,64	68	(-)2

(a) Includes State's share of Union Taxes of ₹2,35,74 crore

(b) GSDP for 2015-16 is ₹33,23,29 crore (Advance Estimate) as intimated by Directorate of Economics and Statistics, Odisha, Bhubaneswar vide their letter No.2230/DES/SID-13/2013 dated 29.03.2016.

(c) Expenditure on Capital Account includes Capital Expenditure (₹1,70,91 crore) and Loans and Advances disbursed (₹3,37 crore).

(d) Non-Plan Expenditure includes Revenue Expenditure (₹3,55,35 crore), Capital Expenditure (₹15 crore) and Loan & Advances disbursed (₹95 crore).

(e) Borrowings and Other Liabilities include net of Public Debt [₹69,08 crore], net of Contingency Fund [(-)₹1,21 crore], net of Public Account (₹3,66 crore) and net of Opening & Closing Balance [(-)₹88 crore].

(f) Plan Expenditure includes Revenue Expenditure (₹2,32,71 crore), Capital Expenditure (₹1,70,76 crore) & Loans & Advances disbursed (₹2,42 crore).

1.6. What do the Deficits and Surpluses indicate?

Deficit	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.
Revenue Deficit/Surplus	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.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding Fiscal Borrowings) and Total Expenditure. This gap, 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 12th 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.

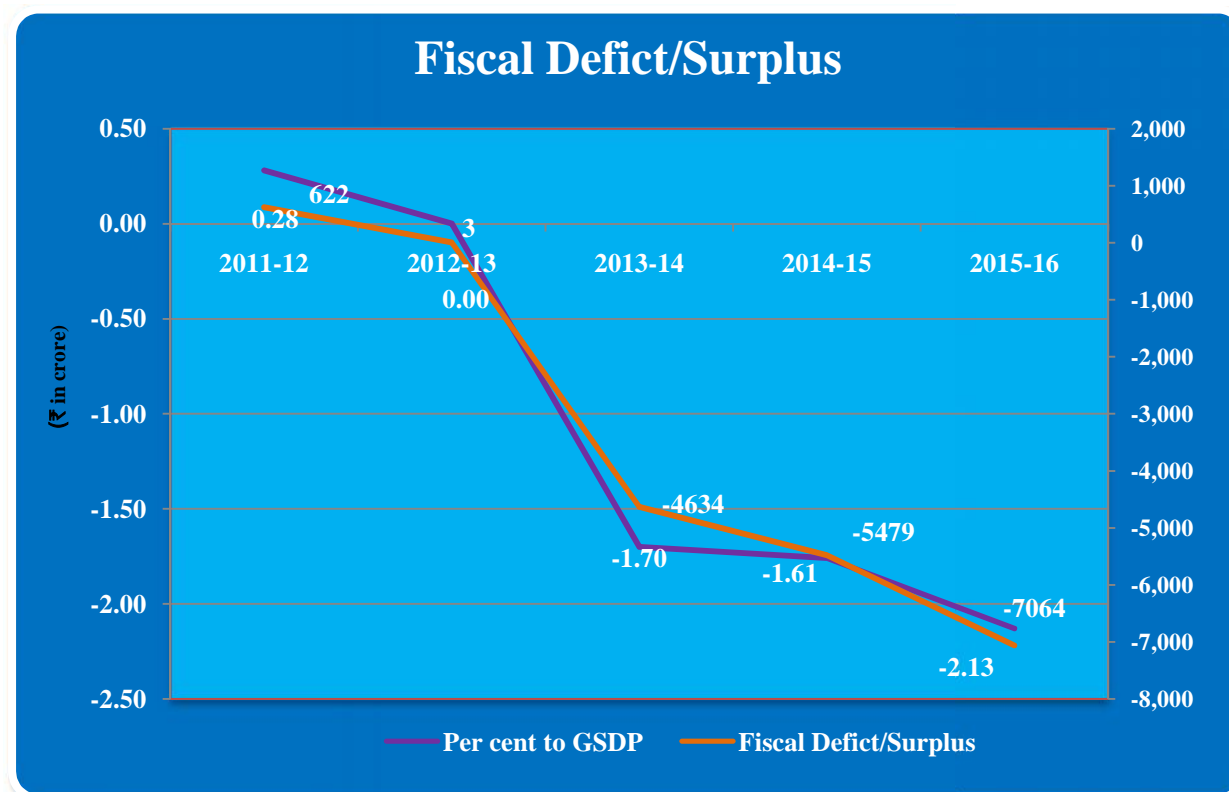
The State Government has amended the FRBM (Amendment) Act, 2005 on the basis of recommendations of the 13th Finance Commission. The FRBM (Amendment) Act, 2011 has made it mandatory for the State to generate Revenue Surplus, contain the Fiscal Deficit within 3 per cent of GSDP, achieve Debt/GSDP ratio at Finance Commission recommended level and put in place a monitoring mechanism on implementation of FRBM Act. The Fiscal Deficit during 2015-16 was 2.13 per cent of GSDP.

The State Government has achieved Revenue Surplus since 2005-06 and there has been an upward trend from 2009-10 to 2015-16, (except 2013-14, it declined to ₹33,29 crore). There has been a Fiscal Deficit of ₹70,64 crore during the year as compared to Fiscal Deficit of ₹54,79 crore during the previous year.

1.6.1. Trend of Revenue Surplus.



1.6.2. Trend of Fiscal Deficit.

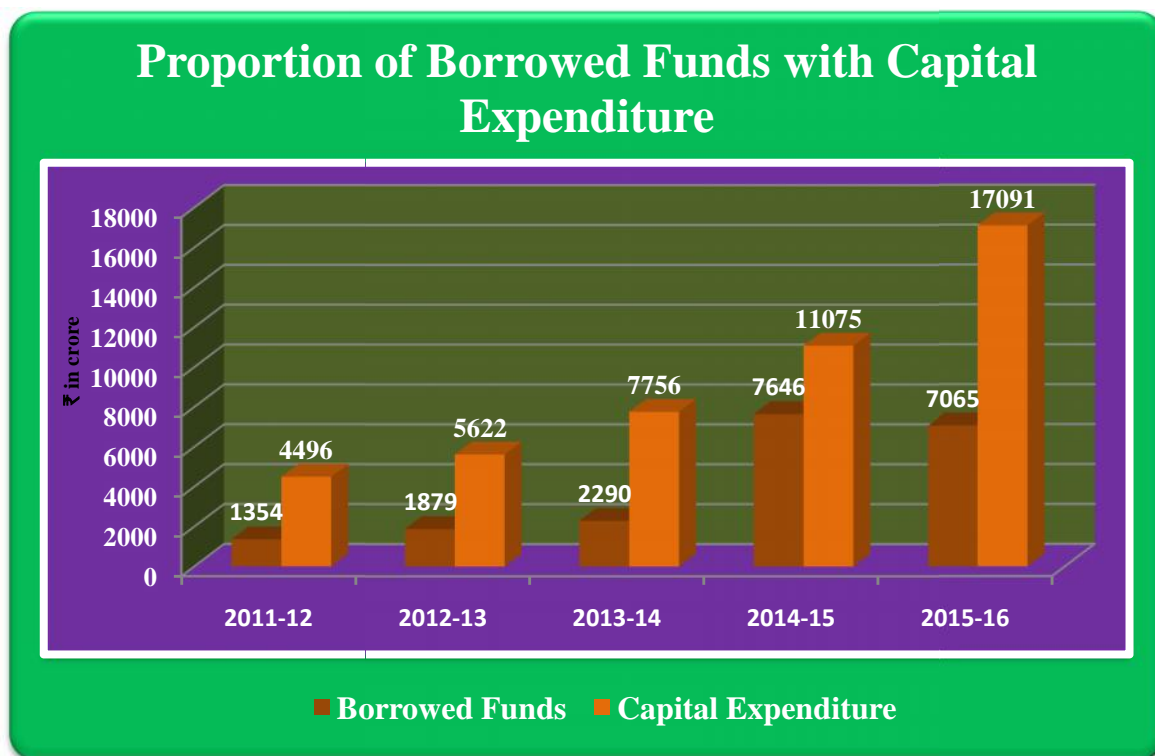


1.6.3. Proportion of Borrowed Funds spent on Capital Expenditure.

It is desirable to fully utilise Borrowed Funds for the Creation of Capital Assets, and to use Revenue Receipts for the repayment of Principal and Interest. As the State Government have achieved Revenue Surplus with effect from 2005-06 which is continuing till 2015-16, the Borrowed Funds have been utilised for Creation of Capital Assets during the above period. The statement is furnished below: -

(₹ in crore)

	Borrowed Funds	Capital Expenditure
2011-12	13,54	44,96
2012-13	18,79	56,22
2013-14	22,90	77,56
2014-15	76,46	1,10,75
2015-16	70,65	1,70,91



Chapter II

RECEIPTS

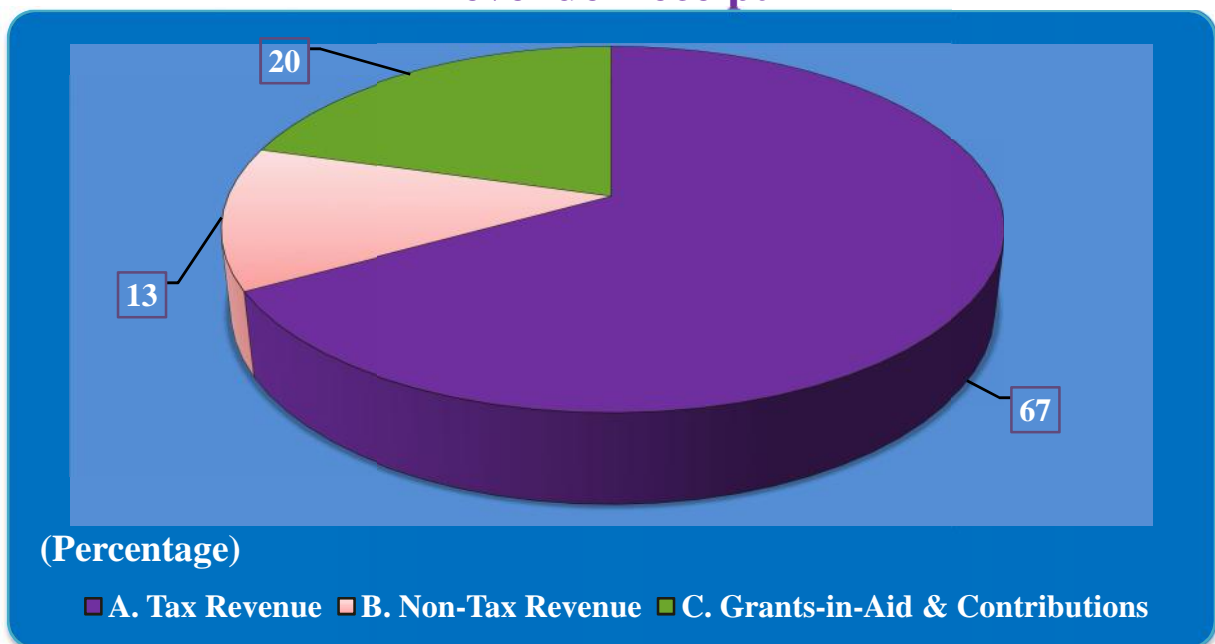
2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts of Government of Odisha for 2015-16 were ₹7,62,34 crore.

2.2. Revenue Receipts

Tax Revenue	Comprises Taxes collected and retained by the State and State's Share of Union Taxes under Article 280(3) of the Constitution.
Non- Tax Revenue	Includes Interest Receipts, Dividends, Profits etc.
Grants-in-Aid	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 channelised 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
A. Tax Revenue	4,61,01	67
Taxes on Income & Expenditure	1,27,25	19
Taxes on Property & Capital Transactions	27,48	4
Taxes on Commodities & Services	3,06,28	44
B. Non-Tax Revenue	87,11	13
Interest Receipts, Dividends and Profits	11,14	2
General Services	3,99	1
Social Services	2,33	...
Economic Services	69,65	10
C. Grants-in-Aid & Contributions	1,41,29	20
Total - Revenue Receipts	6,89,41	100

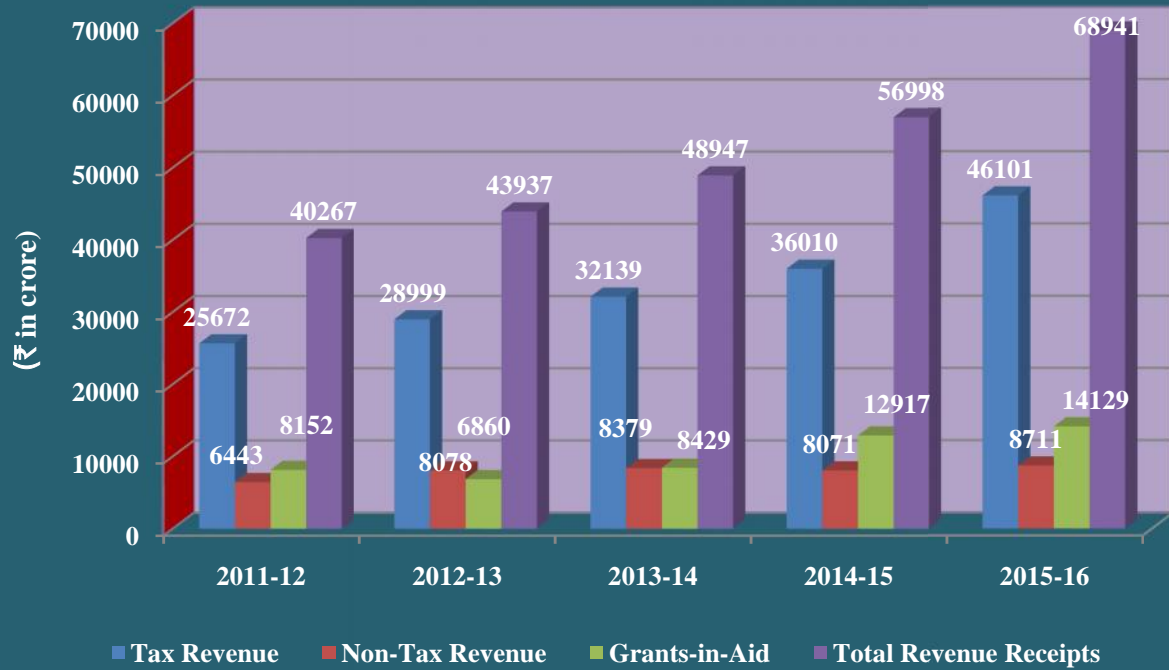
2.3. Trend of Receipts

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Tax Revenues	2,56,72	2,89,99	3,21,39	3,60,10	4,61,01
Non-Tax Revenues	64,43	80,78	83,79	80,71	87,11
Grants-in-Aid	81,52	68,60	84,29	1,29,17	1,41,29
Total: Revenue Receipts	4,02,67	4,39,37	4,89,47	5,69,98	6,89,41
GSDP	22,52,83 (R.E)	25,52,73 (R.E)	27,72,71 (R.E)	30,98,07 (R.E)	33,23,29 (A.E)

A.E – Advance Estimate

R.E – Revised Estimate

Trend of Revenue Receipts

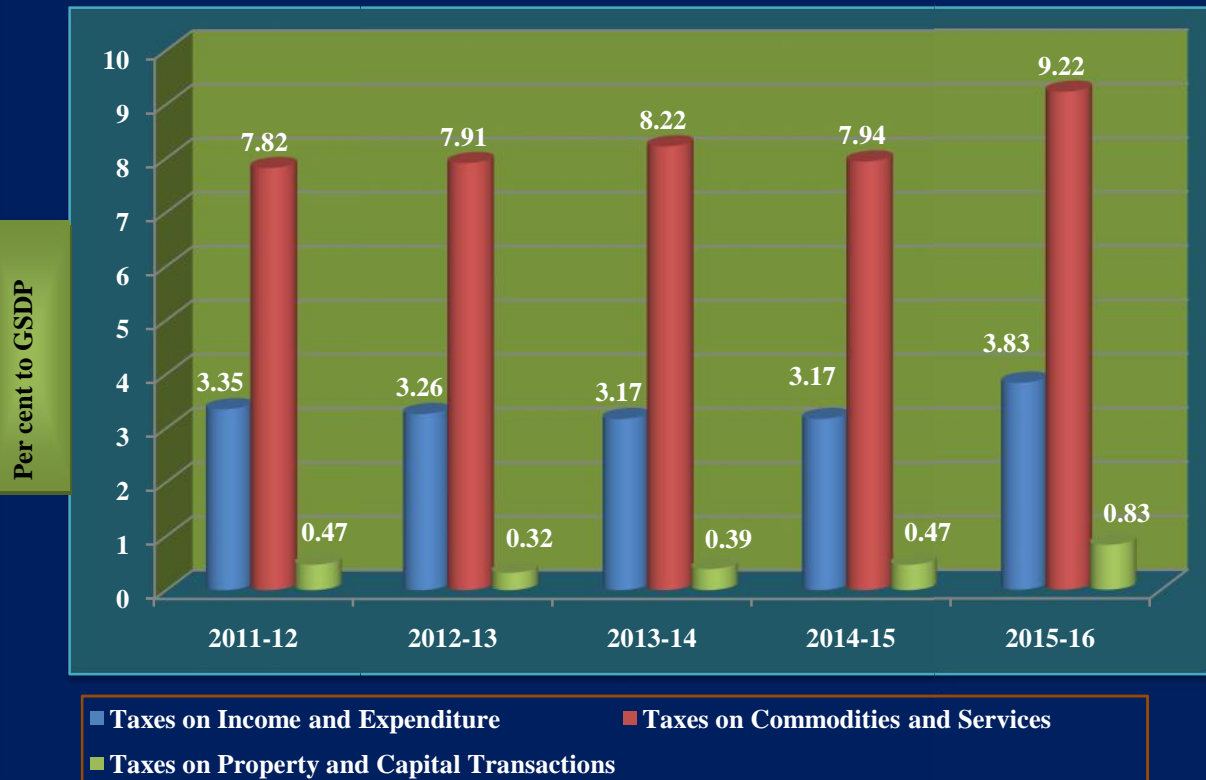


The GSDP increased by seven per cent between 2014-15 and 2015-16 and growth in Revenue collection was 21 per cent. While Tax Revenues increased by 28 per cent, Non-Tax Revenues decreased by eight per cent. Major contributors to Revenue was ₹1,30,97 crore (3.94 per cent of GSDP) under Taxes on Sales, Trades etc and ₹74,08 crore (2.22 per cent of GSDP) in respect of Corporation Tax.

Sector-wise Tax Revenue

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
i) Taxes on Income and Expenditure	73,86	81,55	86,54	98,55	1,27,25
ii) Taxes on Property and Capital Transactions	10,38	9,74	10,51	14,61	27,48
iii) Taxes on Commodities and Services	1,72,48	1,98,70	2,24,34	2,46,94	3,06,28
Total: Tax Revenues	2,56,72	2,89,99	3,21,39	3,60,10	4,61,01

Trend of Major Taxes in proportion to GSDP



2.4. Performance of State's Own Tax Revenue collection

Year	Tax Revenue	State Share of Union Taxes	State's Own Tax Revenue	(₹ in crore)
				Percentage to GSDP
2011-12	2,56,72	1,22,29	1,34,43	6.09
2012-13	2,89,99	1,39,65	1,50,34	5.81
2013-14	3,21,39	1,52,47	1,68,92	6.19
2014-15	3,60,10	1,61,81	1,98,29	6.38
2015-16	4,61,01	2,35,74	2,25,27	6.78

2.5. Efficiency of Tax Collection

A. Taxes on Properties and Capital Transactions

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	10,38	9,74	10,51	14,61	27,48
Expenditure on Collection	2,96	3,26	4,34	4,37	4,37
Percentage Efficiency of Tax Collection	28.51	33.47	41.29	29.91	15.90

Tax collection on Property and Capital Transactions has increased by 88 per cent as compared to previous year. The efficiency on Tax collection is improved by 14 per cent.

B. Taxes on Commodities and Services

(₹ in crore)

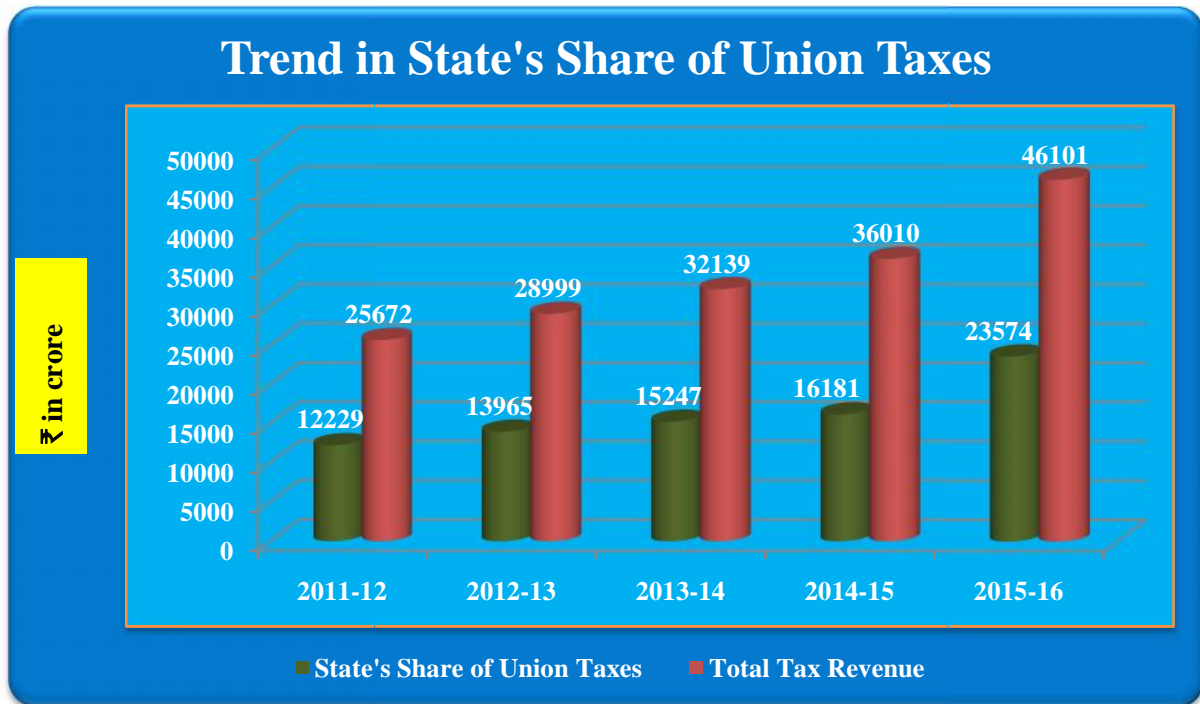
	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	1,72,48	1,98,70	2,24,34	2,46,94	3,06,28
Expenditure on Collection	1,39	1,49	1,61	1,84	2,09
Percentage Efficiency of Tax Collection	0.80	0.75	0.72	0.75	0.68

Taxes on Commodities and Services form a major chunk of Tax Revenue. Tax collection efficiency has increased as compared to the previous year (2014-15).

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

(₹ in crore)

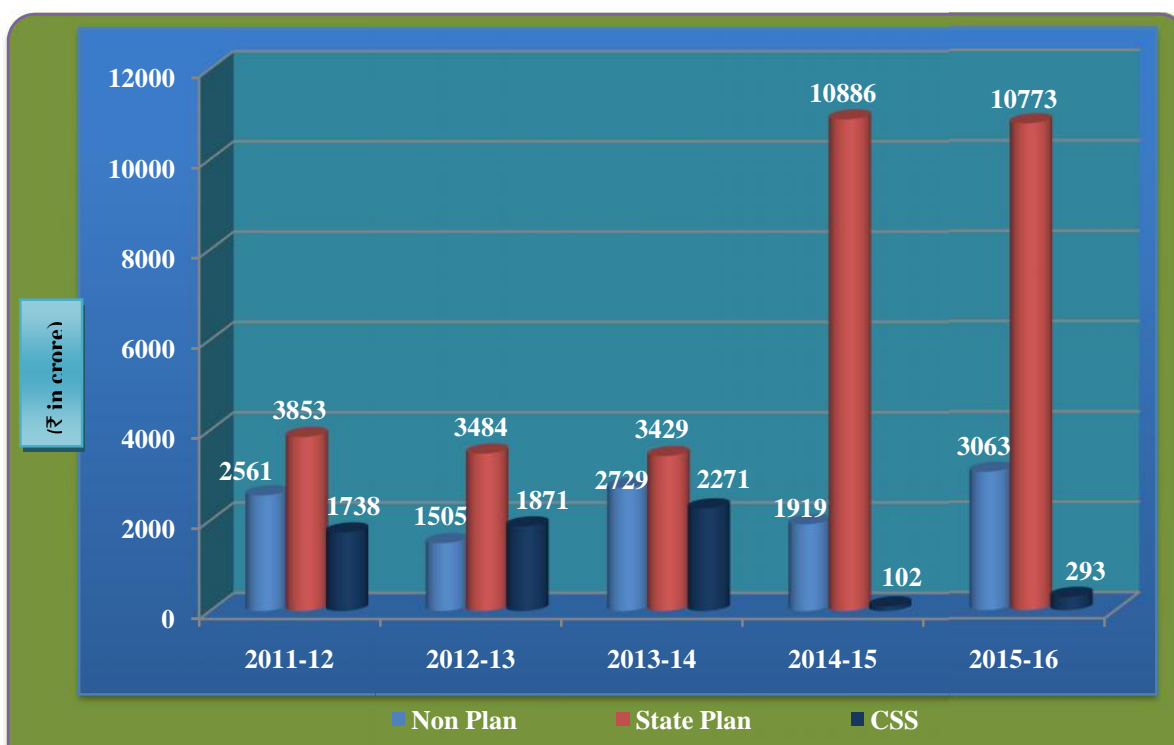
Major Head description	2011-12	2012-13	2013-14	2014-15	2015-16
Corporation Tax	48,13	50,16	51,28	56,50	74,09
Taxes on Income other than Corporation Tax	24,45	30,03	33,76	40,35	51,41
Taxes on Wealth	19	8	14	15	2
Customs	21,20	23,21	24,88	26,17	37,71
Union Excise Duties	13,72	15,77	17,57	14,78	31,47
Service Tax	14,60	20,40	24,84	23,86	40,86
Other Taxes and Duties on Commodities and Services	-	-	-	-	18
Total: State's Share of Union Taxes	1,22,29	1,39,65	1,52,47	1,61,81	2,35,74
Total: Tax Revenue	2,56,72	2,89,99	3,21,39	3,60,10	4,61,01
Per cent of Union Taxes to Total Tax Revenue	48	48	47	45	51



2.7 Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes and Centrally Sponsored Schemes (CSS) 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 ₹1,41,29 crore as shown below: -

Year	(₹ in crore)			
	Non Plan	State Plan	CSS	Total
2011-12	25,61	38,53	17,38	81,52
2012-13	15,05	34,84	18,71	68,60
2013-14	27,29	34,29	22,71	84,29
2014-15	19,29	1,08,86	1,02	1,29,17
2015-16	30,63	1,07,73	2,93	1,41,29



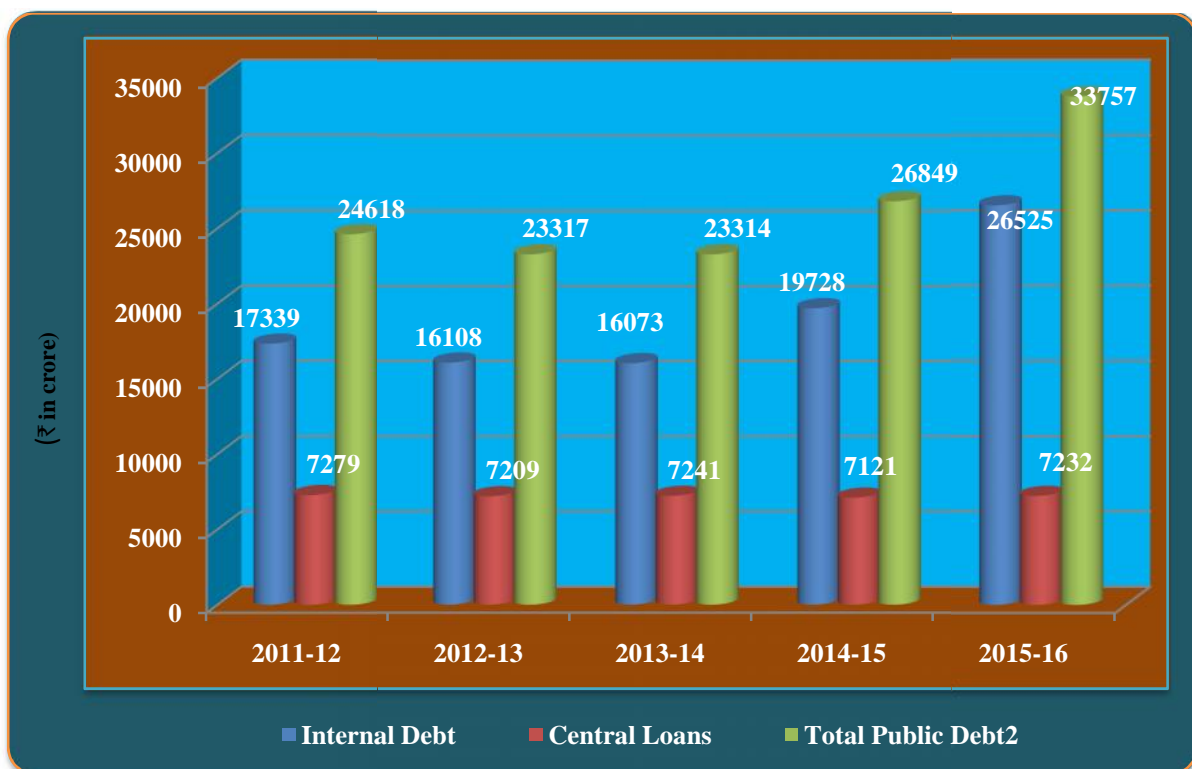
The share of Non-Plan Grants in total Grants-in-Aid is 21.68 per cent for 2015-16 as compared to 14.93 per cent in the previous year. The State Government has received ₹1,41,29 crore of Grants-in-Aid (67 per cent) against the Budget Estimate (B.E) of ₹2,10,67 crore in respect of Central Share in Centrally Sponsored Schemes.

2.8. Public Debt

The outstanding Public Debt at the end of the 31 March 2016 was ₹3,37,57 crore comprising Internal Debt of ₹2,65,25 crore and Loans and Advances from Central Government ₹72,32 crore.

Trend of Public Debt over last 5 years

	(₹ in crore)				
Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	1,73,39	1,61,08	1,60,73	1,97,28	2,65,25
Central Loans	72,79	72,09	72,41	71,21	72,32
Total: Public Debt	2,46,18	2,33,17	2,33,14	2,68,49	3,37,57



Net effect of Public Debt for last 5 years

(₹ in crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	(-) 6,60	(-) 12,30	(-) 36	36,55	67,97
Central Loans	(-) 3,14	(-) 70	33	(-) 1,21	1,12
Total: Public Debt	(-) 9,74	(-) 13,00	(-) 3	35,34	69,08

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 organisation. Capital Expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure comprises the following three services under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, Public Works Divisions, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of Scheduled Castes and Scheduled Tribes etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2. Revenue Expenditure

Revenue Expenditure of ₹5,88,06 crore fell short of Budget Estimates by ₹70,33 crore due to less disbursement of ₹52,04 crore under Non-plan Expenditure and ₹18,29 crore under Plan Expenditure.

The shortfall of Expenditure against Budget Estimates under Revenue Section during the last five years is given below:

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Budget Estimates (B.E)	3,63,23	4,14,32	4,93,94	6,28,82	6,58,39
Actuals	3,46,60	3,82,38	4,56,18	5,11,36	5,88,06
Gap	16,63	31,94	37,76	1,17,46	70,33
Per cent of gap over B.E	5	8	8	19	11

3.2.1 Sectoral distribution of Revenue Expenditure

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	6,50	1
(i) Collection of Taxes on Property and Capital Transactions	4,37	1
(ii) Collection of Taxes on Commodities and Services	2,09	0
(iii) Other Fiscal Services	4	0
B. Organs of State	4,21	1
C. Interest Payments and Servicing of Debt	33,43	6
D. Administrative Services	42,78	7
E. Pensions and Miscellaneous General Services	63,67	11
F. Social Services	2,46,43	42
G. Economic Services	1,81,88	31
H. Grants-in-Aid and Contributions	9,16	1
Total: Expenditure (Revenue Account)	5,88,06	100

3.2.2 Major components of Revenue Expenditure (2011 – 2016)

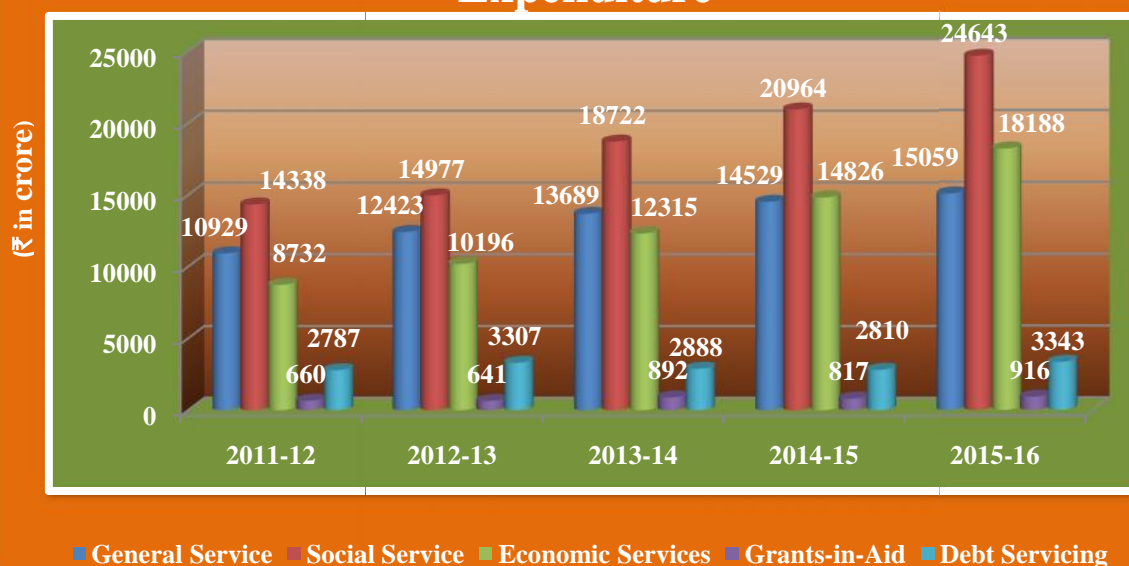
Major components of Revenue Expenditure (2011 to 2016)

(₹ in crore)

Year	General Services *	Social Services	Economic Services	Grants-in-Aid	Total Revenue Expenditure	Debt Servicing
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
2013-14	1,36,89	1,87,22	1,23,15	8,92	4,56,18	28,88
2014-15	1,45,29	2,09,64	1,48,26	8,17	5,11,36	28,10
2015-16	1,50,59	2,46,43	1,81,88	9,16	5,88,06	33,43

* General Services includes Major Heads of Account 2048 (Appropriation for Reduction or Avoidance of Debt) and 2049 (Interest Payments).

Trend of Major components of Revenue Expenditure



3.3. Capital Expenditure

Capital Disbursements at 5.24 per cent of GSDP were less than Budget Estimate by ₹12,21 crore (more disbursement of ₹17,33 crore under Plan and less disbursement of ₹29,54 crore under Non-plan).

3.3.1. Sectoral distribution of Capital Expenditure

During 2015-16, the Government spent ₹34,09 crore on various Irrigation Projects (₹13,25 crore on Major Irrigation, ₹7,77 crore on Medium Irrigation and ₹13,07 crore on Minor Irrigation) and ₹15 crore on Ports and Light Houses. Apart from above, the Government invested ₹382.05 crore in various Corporations /Companies/Societies.

(₹ in crore)

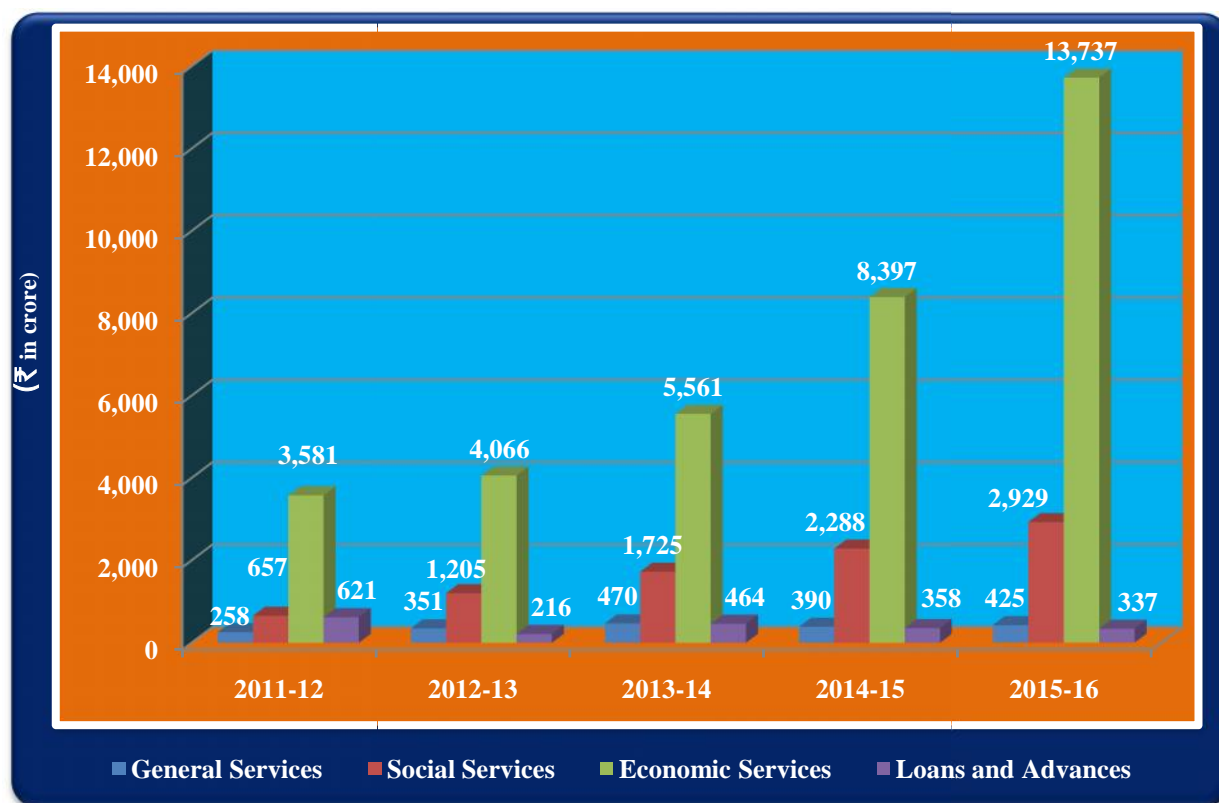
SL No	Sector	Amount	Percentage
1.	General Services-Police, Public Works etc.	4,25	2
2.	Social Services-Education, Health & Family Welfare, Water Supply, Welfare of Scheduled Castes/Scheduled Tribes etc. & Others.	29,29	17
3.	Economic Services- Agriculture, Rural Development, Irrigation and Flood Control, Energy, Industries, Transport etc.	1,37,37	79
4.	Loans and Advances disbursed	3,37	2
Total		1,74,28	100

3.3.2 Sectoral distribution of Capital Expenditure over the last five years

(₹ in crore)

Sl. No.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1.	General Services	2,58	3,51	4,70	3,90	4,25
2.	Social Services	6,57	12,05	17,25	22,88	29,29
3.	Economic Services	35,81	40,66	55,61	83,97	1,37,37
4.	Loans and Advances	6,21	2,16	4,64	3,58	3,37
	Total	51,17	58,38	82,20	1,14,33	1,74,28

Trend of different Sectors of Capital Expenditure

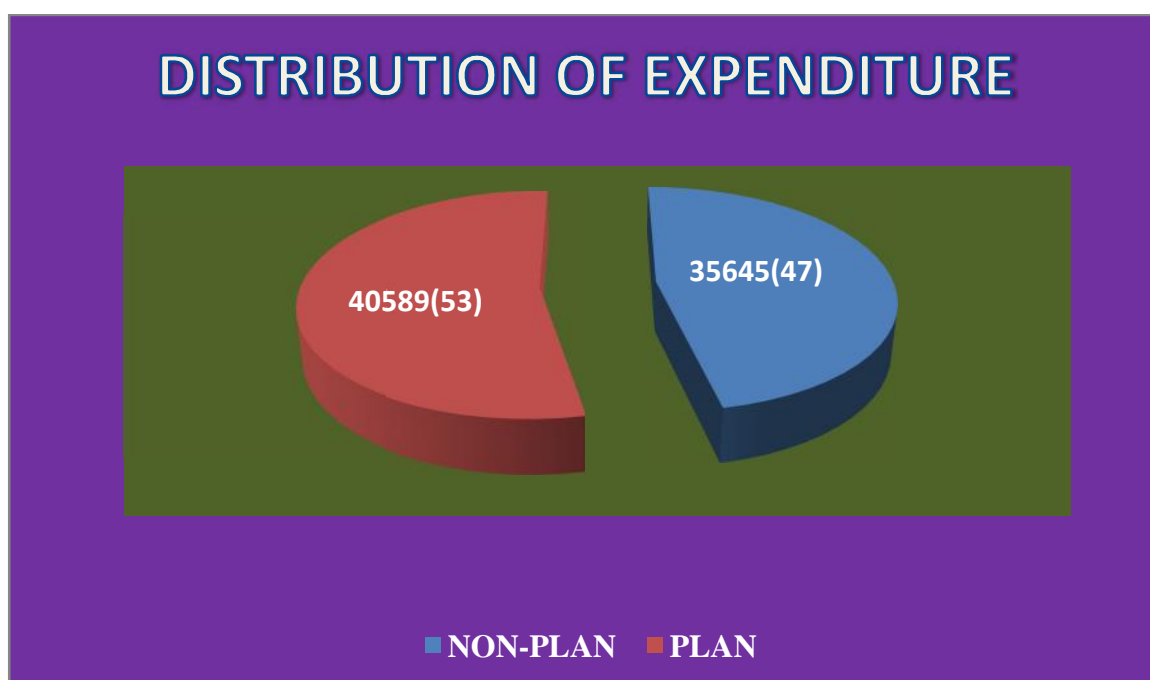


Chapter IV

PLAN & NON-PLAN EXPENDITURE

4.1. Distribution of Expenditure

The Total Expenditure during the year was ₹7,62,34 crore representing Plan Expenditure of ₹4,05,89 crore and Non-Plan Expenditure of ₹3,56,45 crore.

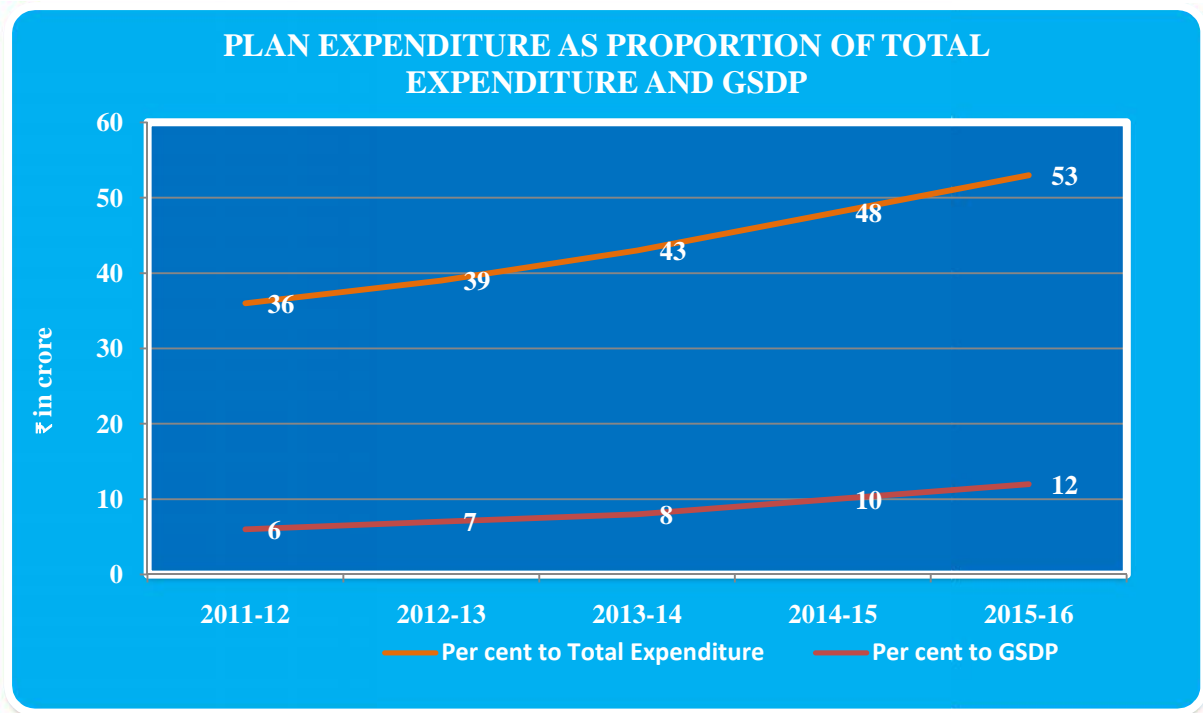


4.2. Plan Expenditure

During the year, Plan Expenditure, representing 53 per cent of Total Disbursements, was ₹4,05,89 crore (₹4,01,94 crore under State Plan, ₹1,53 crore under Centrally Sponsored Schemes and ₹2,42 crore under Loans and Advances).

Plan Expenditure as a proportion of Total Expenditure and GSDP

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Plan Expenditure (₹ in crore)	1,41,57	1,73,37	2,29,71	3,01,93	4,05,89
Percentage to Total Expenditure	36	39	43	48	53
Percentage to GSDP	6	7	8	10	12



4.2.1. Plan Expenditure under Capital Account

(₹ in crore)

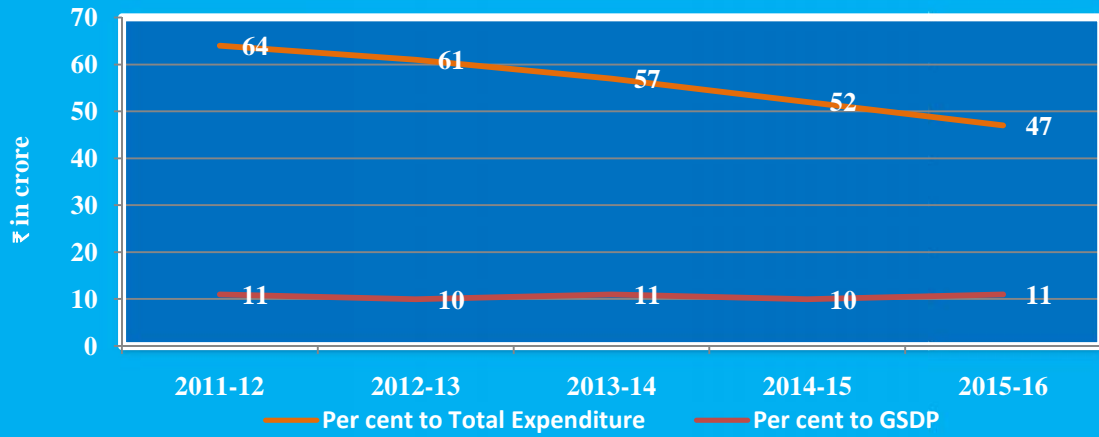
Sector	2011-12	2012-13	2013-14	2014-15	2015-16
Total Capital Expenditure	51,17	58,38	82,20	1,14,33	1,74,28
Capital Expenditure (Plan)	44,37	57,44	79,63	1,13,16	1,73,18
Per cent of Capital Expenditure (plan) to Total Capital Expenditure	87	98	97	99	99

4.3. Non-Plan Expenditure

Non-Plan Expenditure during the year, representing 47 per cent of Total Disbursements, was ₹3,56,45 crore, (₹3,55,35 crore under Revenue and ₹1,10 crore under Capital).

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Non-Plan Expenditure (₹ in crore)	2,56,20	2,67,39	3,08,67	3,23,76	3,56,45
Percentage to Total Expenditure	64	61	57	52	47
Percentage to GSDP	11	10	11	10	11

NON-PLAN EXPENDITURE AS PROPORTION OF TOTAL EXPENDITURE AND GSDP



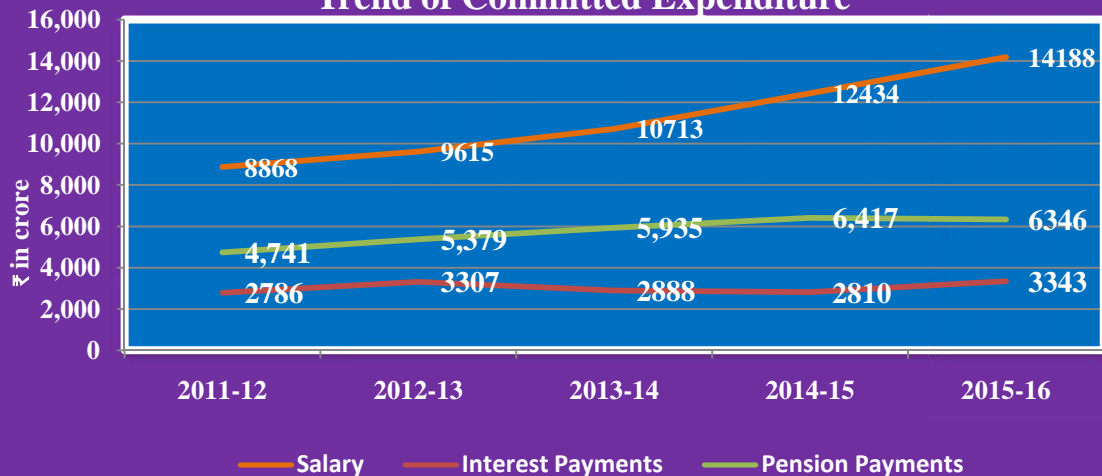
4.4. Committed Expenditure

Trend of Committed Expenditure

(₹ in crore)

Component	2011-12	2012-13	2013-14	2014-15	2015-16
Committed Expenditure	1,63,95	1,83,01	1,95,36	2,16,61	2,38,77
Revenue Expenditure	3,46,60	3,82,38	4,56,18	5,11,36	5,88,06
Revenue Receipts	4,02,67	4,39,37	4,89,47	5,69,98	6,89,41
Per cent of Committed Expenditure to Revenue Receipts	41	42	40	38	35
Per cent of Committed Expenditure to Revenue Expenditure	47	48	43	42	41

Trend of Committed Expenditure



Chapter V

APPROPRIATION ACCOUNTS

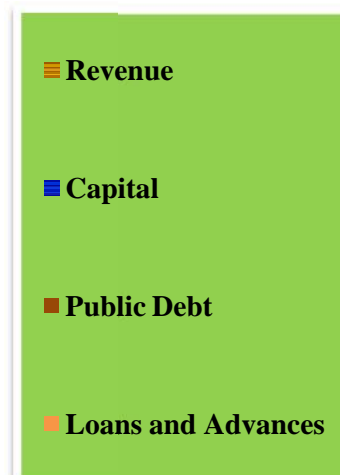
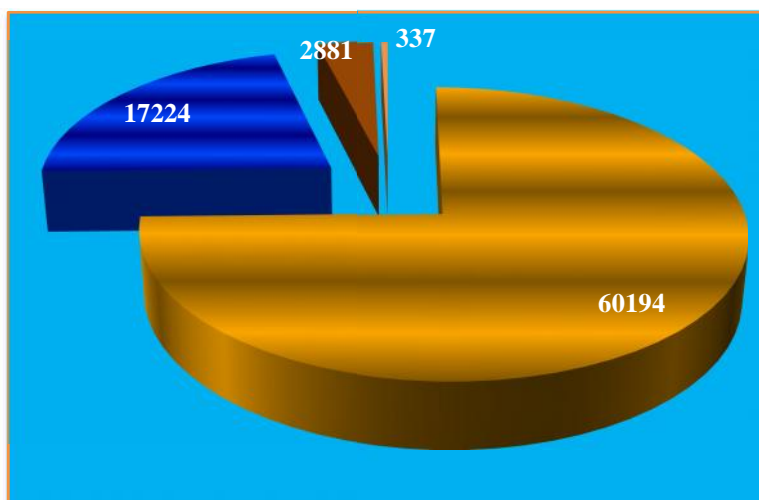
The Appropriation Accounts of the Government of Odisha for the year 2015-16 present the accounts of sums expended in the year ended 31 March 2016 compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

5.1. Summary of Appropriation Accounts for 2015-16

(₹ in crore)

Sl. No	Nature of Expenditure	Original Grants	Supplementary Grants	Re-appropriation	Total	Actual Expenditure	Savings (-) Excess (+)
1.	Revenue						
	Voted	6,21,46	75,58		6,97,04	5,67,64	(-)1,29,40
	Charged	49,59	6	-	49,65	34,30	(-)15,35
	Total	6,71,05	75,64		7,46,69	6,01,94	(-)1,44,75
2.	Capital						
	Voted	1,52,88	37,74		1,90,62	1,72,15	(-)18,47
	Charged	9	5	-	14	9	(-)5
	Total	1,52,97	37,79		1,90,76	1,72,24	(-)18,52
3.	Public Debt	29,07	46	-	29,53	28,81	(-)72
4.	Loans and Advances						
	Voted	5,95	60	-	6,55	3,37	(-)3,18
	Total	8,59,04	1,14,49	-	9,73,53	8,06,36	(-)1,67,17

TOTAL EXPENDITURE (8,06,36 crore)



5.2. Trend of Savings during the past five years

(₹ in crore)

Year	Savings (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2011-12	(-)56,67	(-)14,96	61	(-)1,57	(-)72,59
2012-13	(-)73,96	(-)17,70	(-) 24	(-)1,46	(-)93,36
2013-14	(-)1,11,45	(-)10,65	(-)5,26	(-)21	(-)1,27,56
2014-15	(-)1,50,61	(-)31,07	(-)4,19	(-)1,88	(-)1,87,75
2015-16	(-)1,44,75	(-)18,52	(-)72	(-)3,18	(-)1,67,17

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	2011-12	2012-13	2013-14	2014-15	2015-16
REVENUE (Voted)						
3	Revenue and Disaster Management	17	55	43	36	39
5	Finance	18	22	29	23	33
8	Odisha Legislative Assembly	46	45	40	45	23
12	Health and Family Welfare	12	11	14	19	19
22	Forest & Environment	11	17	22	13	26
28	Rural Development				32	11
33	Fisheries and Animal Resources Development	15	21	13	16	15
CAPITAL (Voted)						
1	Home	15	18	1	20	39
5	Finance	-	20	11	24	28
6	Commerce	-	8	36	27	27
8	Odisha Legislative Assembly				78	19
10	School & Mass Education	81	7	59	74	56
13	Housing and Urban Development	30	15	7	37	16

Grant	Nomenclature	2011-12	2012-13	2013-14	2014-15	2015-16
CAPITAL (Voted)						
16	Planning & Co-ordination	39	84	19	30	27
20	Water Resources	21	11	19	16	16
30	Energy	21	25	7	42	22
33	Fisheries and Animal Resources Development	66	80	25	12	20
34	Co-operation	86	68	2	82	27

During 2015-16, Supplementary Grants totaling to ₹1,14,49 crore (12 per cent of total Expenditure) proved unnecessary as in many cases, there were significant savings at the end of the year even against original allocations. A few instances are given below.

(₹ in crore)

Grant No.	Department	Section	Original	Supplementary	Actual Expenditure
1	Home	Revenue Capital	32,69 4,42	61 77	30,61 3,18
2	General Administration	Revenue Capital	1,76 1,26	2 2	1,62 76
4	Law	Revenue	2,98	26	2,73
6	Commerce	Revenue Capital	62 21	1 6	60 20
7	Works	Revenue	18,06	14	16,79
8	Odisha Legislative Assembly	Revenue	40	2	33
9	Food Supply and Consumer Welfare	Revenue	15,59	1	12,68
10	School and Mass Education	Revenue	99,29	10,26	90,12
11	Scheduled Tribes & Scheduled Castes Development and Minorities & Backward Classes Welfare	Capital	5,79	49	5,60
12	Health and Family Welfare	Revenue Capital	32,34 6,44	1,23 35	31,34 5,90
13	Housing and Urban Development	Revenue	26,78	1,43	23,67

Grant No.	Department	Section	Original	Supplementary	Actual Expenditure
14	Labour and Employee's State Insurance	Capital	1	1	1
15	Sports and Youth Services	Revenue	45	1	36
20	Water Resources	Revenue Capital	18,91 43,45	1,41 1,80	18,79 41,85
21	Transport	Capital	1,60	15	1,39
22	Forest and Environment	Revenue	7,17	69	5,78
23	Agriculture and Farmer's Empowerment	Revenue	30,09	4,57	30,06
25	Information and Public Relations	Capital	4	1	4
29	Parliamentary Affairs	Revenue	32	1	30
30	Energy	Revenue	30	3	28
31	Handlooms, Textiles & Handicrafts	Revenue	1,53	1	1,31
32	Tourism and Culture	Revenue	1,19	5	99
33	Fisheries and Animal Resources Development	Revenue Capital	5,01 1,29	21 5	4,43 1,06
34	Co-operation	Revenue	6,53	1	5,83
36	Women and Child Development	Revenue Capital	38,62 3,00	81 20	35,93 2,20
37	Science and Information Technology	Revenue	1,75	1	1,11
38	Higher Education	Revenue	19,21	95	18,98
39	Skill Development and Technical Education	Revenue	2,23	5	2,20
40	Micro, Small & Medium Enterprises	Revenue	1,14	17	90



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 ₹38,81.32 crore at the end of 2015-16. However, Dividends received during the year were ₹5,53.36 crore (i.e.14.26 per cent on Investment). During 2015-16, Investments increased by ₹3,82.05 crore, while Dividend income decreased by ₹5,23 crore.

Cash Balance with RBI stood at ₹5,79 crore on 31 March 2015 and increased to ₹6,70 crore at the end of March 2016.

6.2. Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limit, if any, as may be from time to time fixed by the State Legislature. 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 Act (Amendment), 2006” (Odisha Act 6 of 2006).

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.

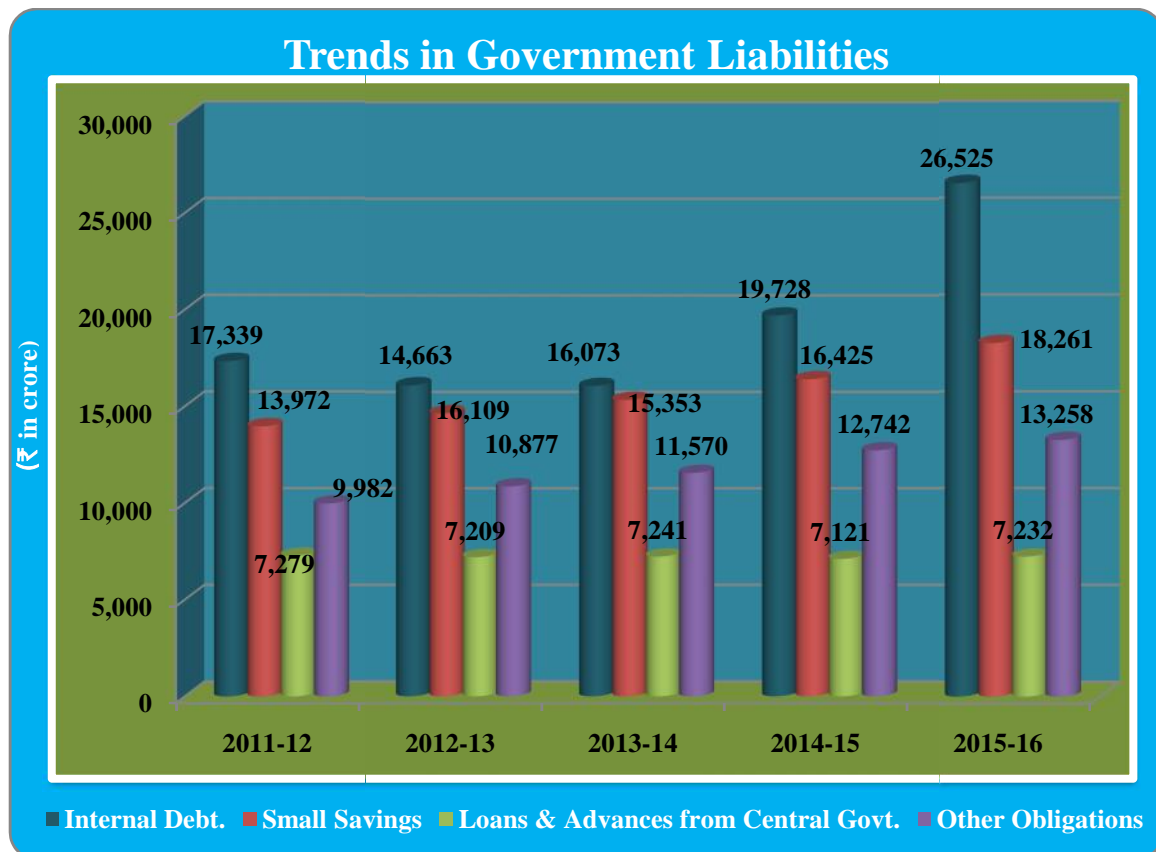
Details of Public Debt and Total Liabilities for last five years:

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
2011-12	2,46,18	11	2,39,54	11	4,85,72	22
2012-13	2,33,17	9	2,55,40	10	4,88,57	19
2013-14	2,33,14	8	2,69,23	10	5,02,37	18
2014-15	2,68,49	9	2,91,68	9	5,60,17	18
2015-16	3,37,57	10	3,15,19	9	6,52,76	20

(*) Excludes Suspense and Remittance balances.

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

There is a net increase of ₹92,59 crore (16.52 per cent) in Public Debt and Other Liabilities as compared to 2014-15.



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, Co-operative Societies etc., is given below.

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 March 2016	
		Principal	Interest*
2011-12	1,05,79	25,10	...
2012-13	1,05,79	22,51	...
2013-14	1,06,25	17,05	...
2014-15	1,08,86	16,72	...
2015-16	1,08,91	12,90	...

* As per Finance Department, Government of Odisha 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/Co-operative Institutions/Companies etc. The Government Guarantee as on 1st day of April every year shall not exceed 100 per cent of the State Revenue Receipts of the 2nd preceding year. The Guarantee extended by the State Government is within the prescribed limit.



Chapter VII

OTHER ITEMS

7.1 Loans and Advances by the State Government

Total Loans and Advances given by the State Government at the end of 2015-16 was ₹45,57 crore which includes ₹41,67 crore to Government Corporations, Companies, Non-Government Institutions and Local Bodies.

7.2 Financial Assistance to Local Bodies and Others

During the past five years, Grants-in-Aid to Local Bodies etc., increased from ₹48,33 crore in 2010-11 to ₹1,77,79 crore in 2015-16. Grants to Zilla Parishads, Panchayat Samities and Municipalities (₹30,04 crore) represented 17 per cent of total Grants given during the year.

7.3 Cash Balance and Investment of Cash Balance

The Cash Balance increased from ₹5,79 crore at the beginning of the year 2015-16 to ₹6,67 crore at its end. Investment held in Cash Balance Investment Account as on 31 March 2016 were ₹58,36 crore. During 2015-16, Interest Receipt on Cash Balance Investment, ₹3,65 crore, increased by 17 per cent in comparison to previous year. The details are furnished below:-

Component	(₹ in crore)		
	As on 1 April 2015	As on 31 March 2016	Net increase (+) / decrease (-)
1. Cash Balances	5,79	6,67	88
2. Investments from Cash Balance (GOI Treasury Bills)	38,71	58,36	19,65
3. Other Cash Balances	55,44	55,44	...
i) Cash with Departmental Officers and Permanent Advance	21	21	...
ii) Investment from Earmarked Fund Balances	55,23	55,23	...
(a) Sinking Fund	50,43	50,43	...
(b) Guarantee Redemption Fund	4,80	4,80	...
TOTAL (1+2+3)	99,94	1,20,47	20,53
Interest realised on Cash Balance Investment Account	3,11	3,65	3,13

7.4 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the Departmental figures with the figures appearing in the accounts maintained by Principal Accountant General (A&E).

Before Annual Accounts are finalised, the Heads of the Departments reconcile the Departmental Accounts figures with those booked in Accounts compiled by the Principal Accountant General (A&E). The reconciliation of Accounts figures is to be done on a monthly basis. In the year 2015-16, 164 out of 167 Controlling Officers have taken up verification work fully in respect of Expenditure and 47 out of 69 in respect of Receipts.

Particulars	Total no. of COs	Fully reconciled	Partially reconciled	Not reconciled
Expenditure	167	164	...	3
Receipts	69	47	...	22

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 10th (except for the month of March, the date fixed at 15th) 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 2015-16 revealed that there has been a delay ranging from 1 to 15 days in respect of 1 to 11 Treasuries.

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 30 days, through submission of DC bills. To the end of 31 March 2016, 2946 DC bills amounting to ₹44.31 crore was outstanding which indicates that these instructions have not been followed.

7.7 Commitment on Account of Incomplete Works

A Total Expenditure of ₹43,93 crore was incurred up to the year 2015-16 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 2016, only 18 Departments have implemented the Cash Management System. Even in respect of these 18 departments, 11 departments exceeded the limits stipulated for March and 6 departments exceeded the limits stipulated for the last quarter as furnished below: -

Department-wise Statement of Expenditure covered under CMS during 2015-16

(₹ in crore)							
Sl. No	Grant No.	Name of the Department	Budget Provision	Expenditure during March 2016	Expenditure during Last Quarter 2016	Percentage of Expenditure during March 2016	Percentage of Expenditure during last quarter
1.	7	Works	4,302.07	1,256.99	2,221.93	29.22	51.65
2.	10	School and Mass Education	10,014.49	1,346.99	3,004.47	13.45	30.00
3.	11	ST, SC, OBC and Minorities Development	2,374.84	619.97	1,098.88	26.11	46.27
4.	12	Health and Family Welfare	3,877.88	472.50	1,122.88	12.18	28.96
5.	13	Housing and Urban Development	2,932.28	1,019.96	1,431.89	34.78	48.83
6.	17	Panchayati Raj	7,066.10	510.98	2,337.45	7.23	33.08
7.	19	Industries	46.92	17.71	73.37	37.75	156.37
8.	20	Water Resources	6,236.36	1,125.32	2,067.87	18.04	33.16
9.	22	Forest and Environment	720.82	79.93	202.70	11.09	28.12
10.	23	Agriculture and Farmer's Empowerment	3,131.38	636.38	1,036.64	20.32	33.11

(₹ in crore)

Sl. No	Grant No.	Name of the Department	Budget Provision	Expenditure during March 2016	Expenditure during Last Quarter 2016	Percentage of Expenditure during March 2016	Percentage of Expenditure during last quarter
11.	28	Rural Development	5,976.97	1,172.89	2,621.74	19.62	43.86
12.	30	Energy	1,187.35	192.09	953.68	16.18	80.32
13.	31	Handlooms, Textiles and Handicrafts	152.74	25.00	38.28	16.37	25.07
14.	33	Fisheries and Animal Resources Development	629.80	74.74	132.62	11.87	21.06
15.	36	Women and Child Development	4,162.63	998.71	1,650.19	23.99	39.64
16.	38	Higher Education	1,993.11	358.18	678.97	17.97	34.07
17.	39	Skill Development and Technical Education	712.97	69.54	222.90	9.75	31.26
18.	40	Micro, Small and Medium Enterprises	114.61	19.33	34.66	16.86	30.24

N.B.:- The expenditure is based on B.E. + R.E.



**© COMPTROLLER AND AUDITOR GENERAL OF INDIA
2016**

www.cag.gov.in

<http://www.agodi.cag.gov.in/agodisha>