



# ACCOUNTS AT A GLANCE 2017-18



लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest



**GOVERNMENT OF ODISHA**



# **ACCOUNTS AT A GLANCE**

**2017-18**

**GOVERNMENT OF ODISHA**





## **PREFACE**

This is the twentieth 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**  
**Date: 01 October 2019**

**(Madhumita Basu)**  
**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



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# OVERVIEW

## 1.1. Introduction

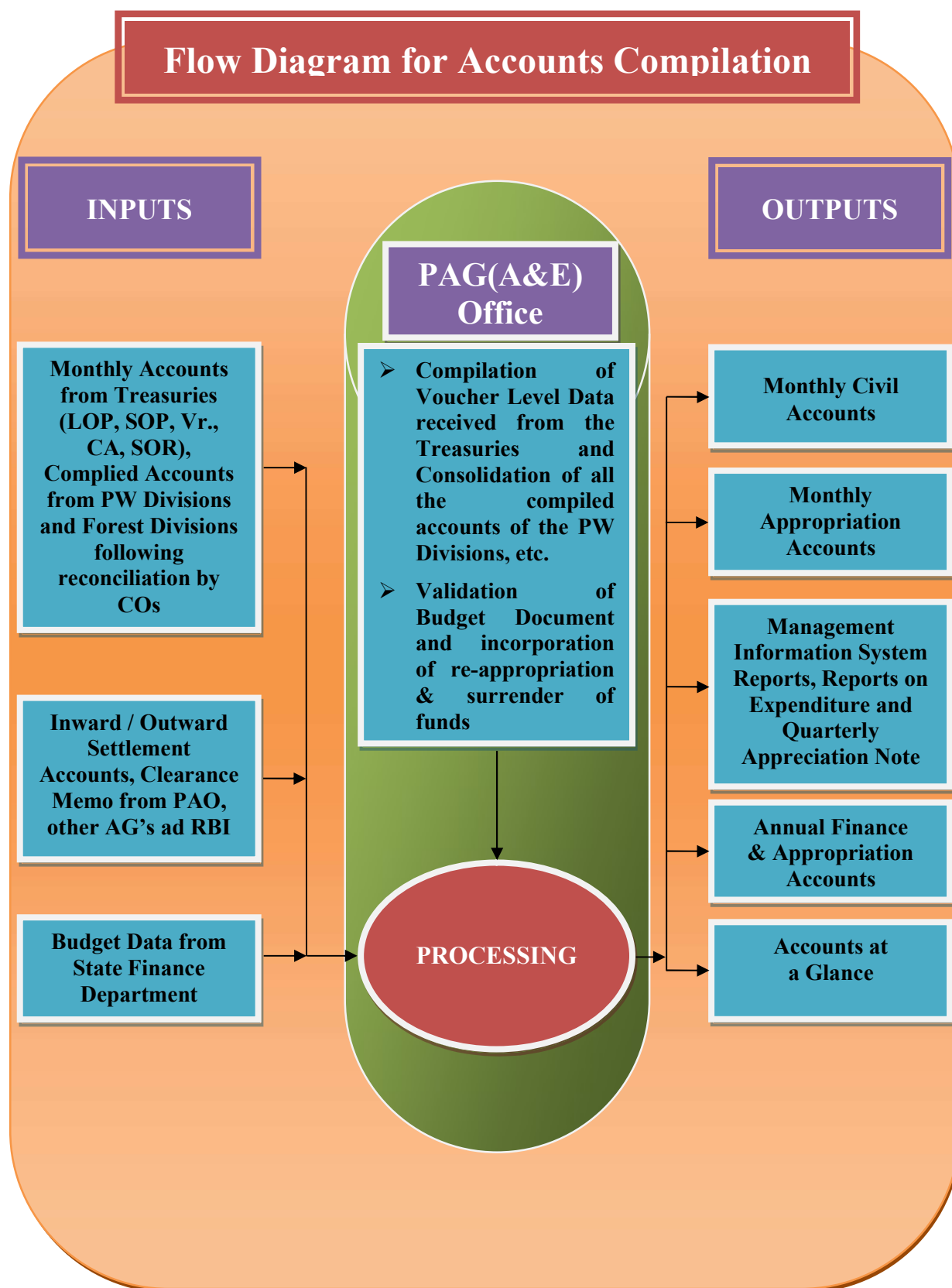
The Principal Accountant General (Accounts and Entitlements), Odisha collates, classifies, compiles the accounts data rendered by multiple agencies and prepares the accounts of the Government of Odisha. The compilation is done from the initial accounts rendered by the District Treasuries, Public Works Divisions, Irrigation & Public Health Divisions, Forest Divisions, accounts rendered by the other states/accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the office of the Principal Accountant General (A&E) to the Government of Odisha. The Principal Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Annual Finance Accounts and the Appropriation Accounts are placed before the State Legislature after audit by the Accountant General (Audit), Odisha and certification by the Comptroller and Auditor General of India.

## 1.2. Structure of Accounts

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

<b>Part I CONSOLIDATED FUND</b>	<p>All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund.</p> <p>All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this Fund.</p>
<b>Part II CONTINGENCY FUND</b>	<p>The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorisation by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.</p> <p>The corpus of this fund for the Government of Odisha is ₹400 crore.</p>
<b>Part III PUBLIC ACCOUNT</b>	<p>All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee.</p> <p>The Public Account comprises: repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transaction (adjusting entries pending booking to final heads of account), Remittances between accounting entities, and Cash Balance.</p>

### 1.2.2. Compilation of Accounts





### 1.3. Finance Accounts and Appropriation Accounts

#### 1.3.1. Finance Accounts

The Finance Accounts presents 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).

The Union Government transfers substantial funds directly to State implementing Agencies/ Non-Governmental Organisation for implementation of various schemes and programmes. During The year 2017-18, the Government of India (GoI) released ₹4,669 crore directly to the implementing agencies in Odisha. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

Receipts and Disbursements of the Government of Odisha as depicted in the Finance Accounts 2017-18 are given below:

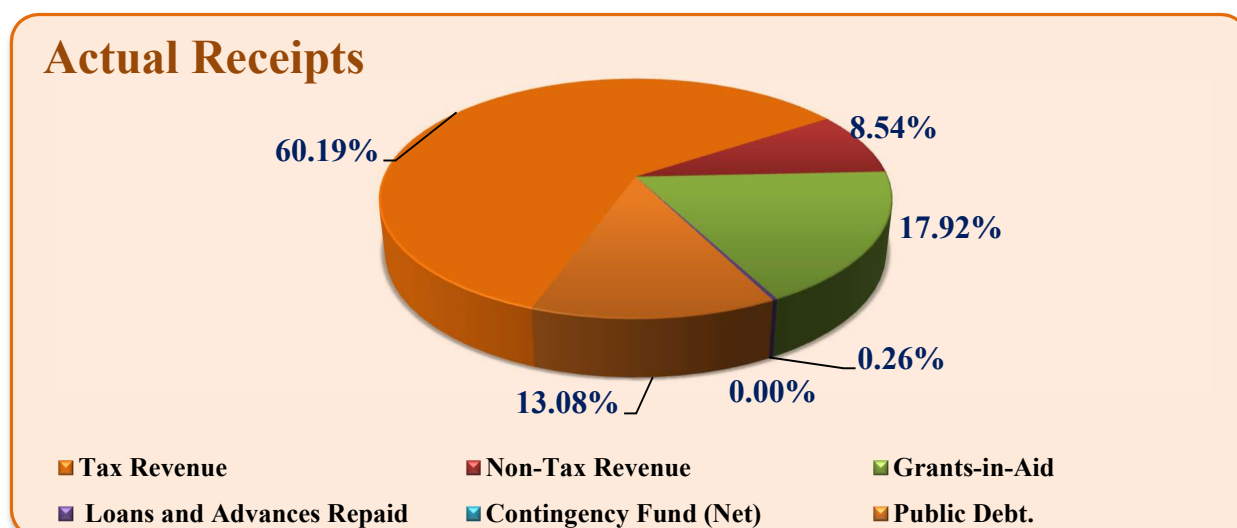
#### Receipts and Disbursements in year 2017-18: -

(₹ in crore)			
<b>Receipts</b> <b>Total: 94,821</b>	<b>Revenue</b>	<b>Tax Revenue</b>	<b>59,186</b>
	<b>Total: 85,204</b>	<b>Non-Tax Revenue</b>	<b>8,398</b>
		<b>Grants-in-Aid</b>	<b>17,620</b>
		<b>Capital</b>	<b>257</b>
	<b>Total: 9,617</b>	<b>Recovery of Loans and Advances</b>	<b>257</b>
		<b>Borrowings and other Liabilities*</b>	<b>9,360</b>
<b>Disbursements</b> <b>Total: 94,821</b>	<b>Revenue</b>		<b>71,837</b>
	<b>Capital</b>		<b>21,109</b>
	<b>Loans and Advances</b>		<b>1,875</b>

\*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.

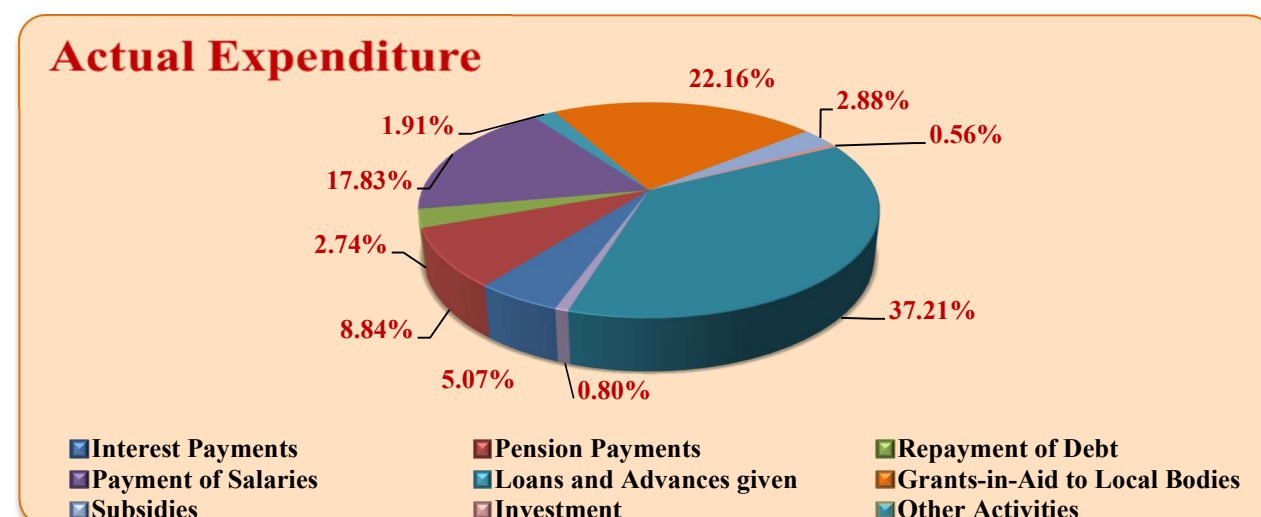
NB: Difference of ₹27 crore is due to non-inclusion of 8680-102-Writes-off amount (being closed to account) in the totaling.

### 1.3.2. Where the ₹ came from?



\* Public Account (including cash balance) component above is taken as net.

### 1.3.3. Where the ₹ went?



In addition to the expenditure approved for the year by the Odisha State Legislature, Government of India transfers substantial funds directly to State Implementing Agencies/ Non-Government Organisations (NGOs) in the State for various schemes and programmes. Such transfers (amounting to ₹4,669 crore (₹11,10 crore last year)). 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.

### 1.3.4. Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “**Charged**” on the Consolidated Fund, which can be increased without vote of the Legislature, all

other expenditure requires to be “**Voted**”. The Budget of the Odisha has three Charged Appropriations and 42 Voted Grants. The purpose of the Appropriation Accounts is to indicate the extent in which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

The Appropriation Acts, 2017-18, had projected for Gross Expenditure of ₹1,20,028.58 crore and Reduction of Expenditure (Recoveries) of ₹3,289.14 crore. Against this, the actual Gross Expenditure was ₹98,822.11 crore and Reduction of Expenditure was ₹1,310.63 crore, resulting in net Savings of ₹21,206.47 crore (17.67 per cent) and an Excess Estimation of ₹1,978.51 crore on Reduction of Expenditure. The Gross Expenditure also includes ₹18 crore drawn on Abstract Contingent (AC) Bills during the year, with total Detailed Contingent (DC) Bills for ₹37.21 crore still outstanding at the end of the year.

During 2017-18, an amount of ₹14,136 crore was deposited 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**

Ways and Means Advances (WMA) are taken from the Reserve Bank of India (RBI) to maintain their liquidity by making good the deficiency in the agreed minimum Cash Balance (₹ 1,28 crore) which the State Government is required to maintain with the Reserve Bank of India. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum Cash Balance maintained with the RBI.

### **1.4.2. Fund Flow Statement**

The State had a Revenue Surplus of ₹13,367 crore and a Fiscal Deficit of ₹9,360 crore representing 3.21 per cent and 2.25 per cent respectively of the Gross State Domestic Product (GSDP)<sup>1</sup>. The Fiscal Deficit constituted 10 per cent of the Total Expenditure. Around 37 per cent of the Revenue Receipts (₹852.04 crore) of the State Government was spent on Committed Expenditure like Salaries (₹17,526.82 crore), Interest Payments (₹4,988.34 crore) and Pensions (₹8,692.86 crore).

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<sup>1</sup> GSDP for 2017-18 is ₹4,15,981.68 crore (Advance Estimate) as intimated by Directorate of Economics and Statistics, Odisha, Bhubaneswar.

## Sources and Application of Funds

(₹ in crore)

	PARTICULARS	AMOUNT
<b>SOURCES</b>	Opening Cash Balance as on 01.04.2017	319
	Revenue Receipts	85,204
	Recovery of Loans & Advances	257
	Public Debt	12,862
	Small Savings, Provident Funds & Others	4,792
	Reserves & Sinking Funds	3,826
	Deposits Received	40,219
	Civil Advances Recovered	138
	Suspense Account	2,93,298
	Remittances	22,801
	Contingency Fund	0.00
	<b>TOTAL</b>	<b>4,63,716</b>
<b>APPLICATION</b>	Revenue Expenditure	71,837
	Capital Expenditure	21,109
	Loans & Advances Given	1,875
	Repayment of Public Debt	2,690
	Small Savings, Provident Funds & Others	3,234
	Reserves & Sinking Funds	3,912
	Deposits Refunded	26,321
	Civil Advances Given	138
	Suspense and Miscellaneous	3,09,202
	Remittances	22,813
	Contingency Fund	..
	Closing Cash Balance as on 31.3.2018	557
	<b>TOTAL</b>	<b>4,63,716(A)</b>

(A) Difference of ₹ 27 crore is due to Writes-off from Head of A/c 8680-102 Closing Balance as the balance is close to account.

## 1.5. Financial Highlights of Accounts 2017-18

The following table provides the details of actual financial results vis-à-vis budget estimates for the year 2017-18

Component	B.E 2017-18	Actuals	Percentage of actuals to B. E	Percentage of actuals to GSDP(b)
	(₹ in crore)			
1. Tax Revenue (a)	58,222	59,186	103	14
2. Non-Tax Revenue	9,500	8,398	82	2
3. Grants-in-Aid & Contributions	21,210	17,620	81	4
4. Revenue Receipts (1+2+3)	88,932	85,204	95	20
5. Recovery of Loans and Advances	130	257	48	0
6. Borrowings & other Liabilities(e)	14,435	9,360	65	2
7. Capital Receipts (5+6)	14,565	9,617	64	2
8. Total Receipts (4+7)	1,03,496	94,821	90	22
9. Administrative Expenditure (d)	50,697	37,362	85	11
10. Administrative Expenditure on Revenue Account	50,504	37,245	87	10
11. Administrative Expenditure on Interest Payments out of (10)	5,000	4,988	87	1
12. Administrative Expenditure on Capital Account	193	117	8	0
13. Programme Expenditure (f)	52,800	57,459	96	12
14. Programme Expenditure on Revenue Account	31,733	34,592	88	7
15. Programme Expenditure on Capital Account	21,067	22,867	109	5
16. Total Expenditure (9+13)	1,03,497	94,821	90	22
17. Revenue Expenditure (10+14)	82,237	71,837	87	17
18. Capital Expenditure (12+15) (c)	21,260	22,984	102	5
19. Revenue Surplus (4-17)	6,694	13,367	251	2
20. Fiscal Deficit (4+5-16)	(-)14,435	(-) 9,360	65	(-)2

- (a) Includes State's share of Union Taxes of ₹31,272 crore
- (b) GSDP for 2017-18 is ₹4,15,981.68 crore (Advance Estimate) as intimated by Directorate of Economics and Statistics, Odisha, Bhubaneswar vide their letter No.3342/DES/SID-66/2018 dated 11.05.2018.
- (c) Expenditure on Capital Account includes Capital Expenditure (₹21,109 crore) and Loans and Advances disbursed (₹18,75 crore).
- (d) Non-Plan Expenditure includes Revenue Expenditure (₹37,245.50 crore) Capital Expenditure (₹37 crore) and Loan & Advances disbursed (₹79.95 crore)
- (e) Borrowings and Other Liabilities include net of Public Debt [₹101,71 crore], net of Contingency Fund [₹0.00 crore], net of Public Account (₹(-)5,47 crore and net of Opening & Closing Balance ₹(-)2,38 crore).
- (f) Plan Expenditure includes Revenue Expenditure (₹34,59,180.14 crore), Capital Expenditure – (₹21,07,165.17 crore and Loans & Advances disbursed (₹1,795.47 crore).

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

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

### 1.6.1 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

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

The Act provides for the responsibility of the State Government to ensure prudence in Fiscal Management and Fiscal Stability by progressive elimination of Revenue Deficit and Sustainable Debt Management consistent with Fiscal Stability.

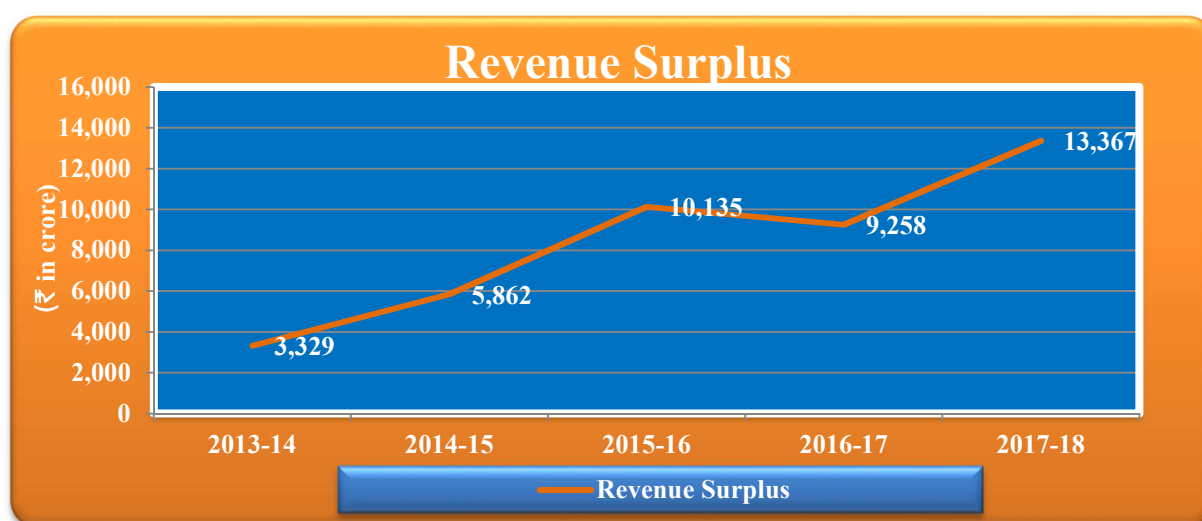
The State Government of Odisha has enacted the FRBM (Amendment) Act, 2016 on the basis of recommendations of the 14<sup>th</sup> Finance Commission in 2016. As per the FRBM Act it is mandatory for the State to generate Revenue Surplus, contain the Fiscal Deficit within 3 per cent of GSDP, achieve Debt/GSDP ratio within Finance Commission recommended level and put in place a monitoring mechanism on implementation of FRBM Act. The Fiscal Deficit during 2017-18 was 2.25 per cent of GSDP.

The State Government has achieved Revenue Surplus since 2005-06 and there has been an upward trend from 2009-10 (except 2013-14 & 2016-17). There has been a Fiscal Deficit of ₹9,360 crore during the year as compared to Fiscal Deficit of ₹9,360 crore during the previous year.

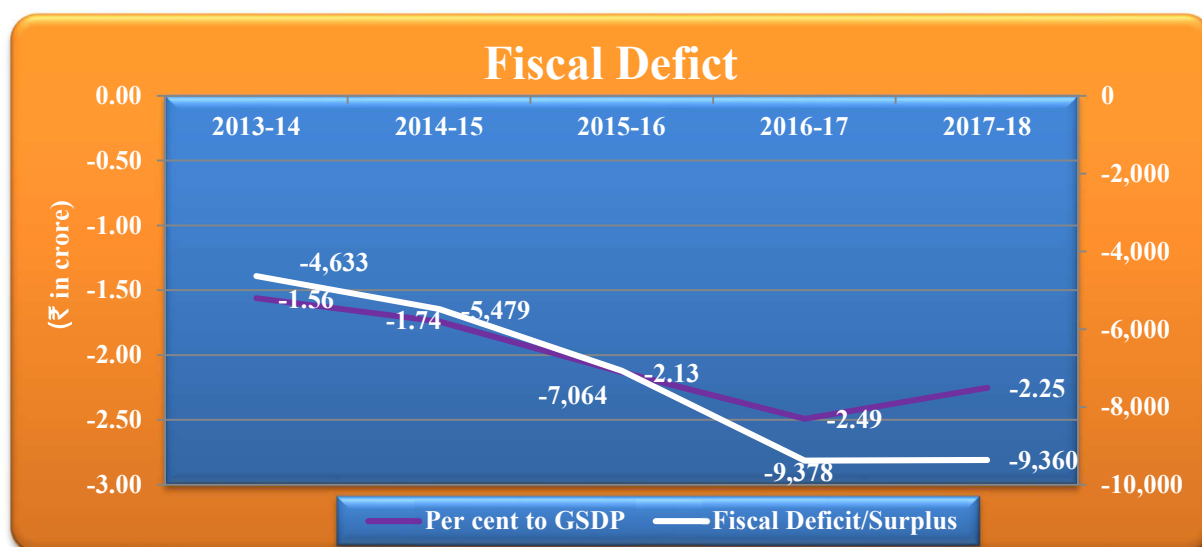
The Achievements of the State Government of Odisha during the year 2017-18 against the targets laid down in the Act and rules framed there under were as follow:

Sl. No.	Finance Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	13,367 (Surplus)	..	Achieved
2	Fiscal Deficit	9,360	Less than or equal to 3 per cent	2.25 per cent (Achieved)
3	Public Debt	52,190	Less than or equal to 25 per cent	12.55 per cent (Achieved)
4	Outstanding Guarantees	1,711	Shall not exceed 100 per cent of State Revenue (excluding GIA) of the 2 <sup>nd</sup> preceding year (i.e. 2015-16)	3.12 per cent (Achieved)

### 1.6.2. Trend of Revenue Surplus.



### 1.6.3. Trend of Fiscal Deficit.



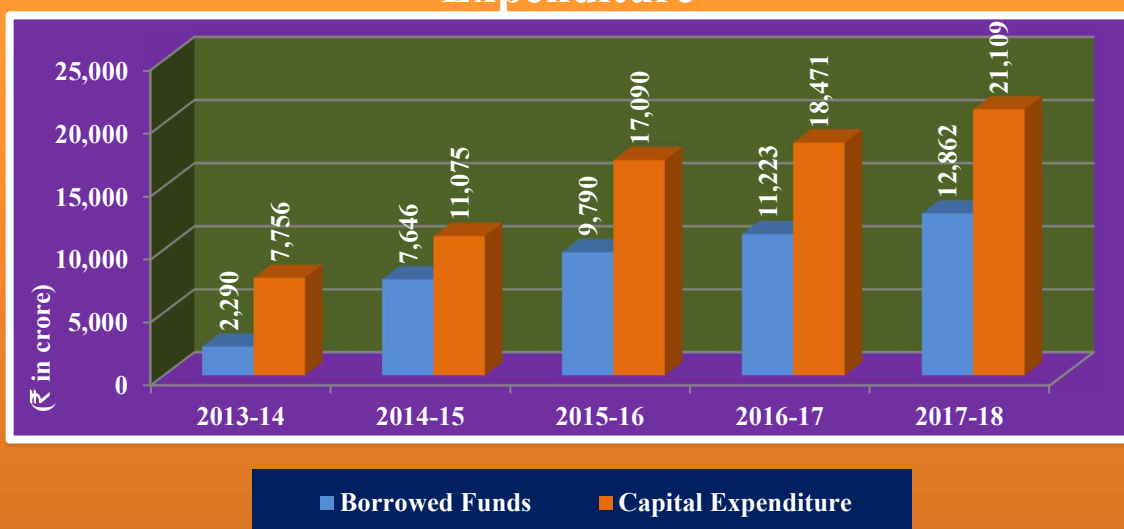
### 1.7. Proportion of Borrowed Funds spent on Capital Expenditure.

It is desirable to fully utilize Borrowed Funds for the Creation of Capital Assets, and to use Revenue Receipts for the repayment of Principal and Interest. As the State Government have achieved Revenue Surplus with effect from 2005-06 which is continuing till 2017-18, 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
2013-14	2,290	7,756
2014-15	7,646	11,075
2015-16	9,790	17,090
2016-17	11,223	18,471
2017-18	12,862	21,109

### Proportion of Borrowed Funds with Capital Expenditure





## Chapter II

### RECEIPTS

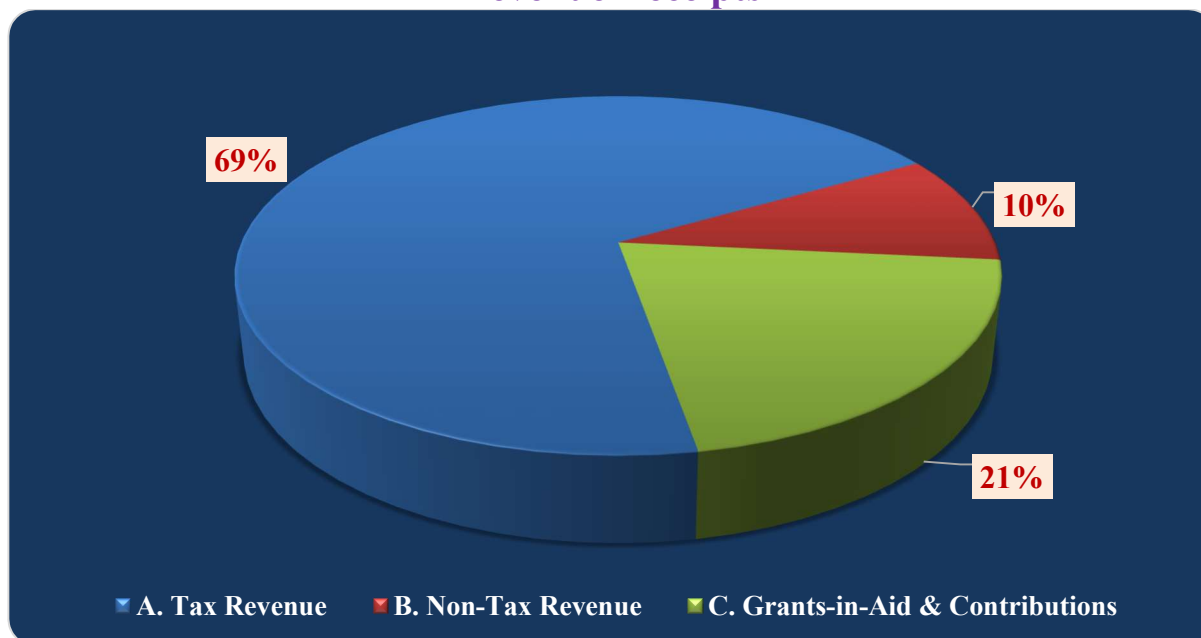
#### 2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts of Government of Odisha for 2017-18 were ₹98,323 crore.

#### 2.2. Revenue Receipts

<b>Tax Revenue</b>	Comprises Taxes collected and retained by the State and State's Share of Union Taxes under Article 280 (3) of the Constitution.
<b>Non- Tax Revenue</b>	Includes Interest Receipts, Dividends, Profits etc.
<b>Grants-in-Aid</b>	Grants-in-aid represent Central Assistance to the State Government from the Union Government. It also Includes 'External Grant Assistance' and 'Aid Materials and Equipment's received from Foreign Governments and channelised through the Union Government. In turn, the State Governments gives Grants-in-Aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.

#### Revenue Receipts



### 2.2.1 Components of Revenue Receipts (2017-18)

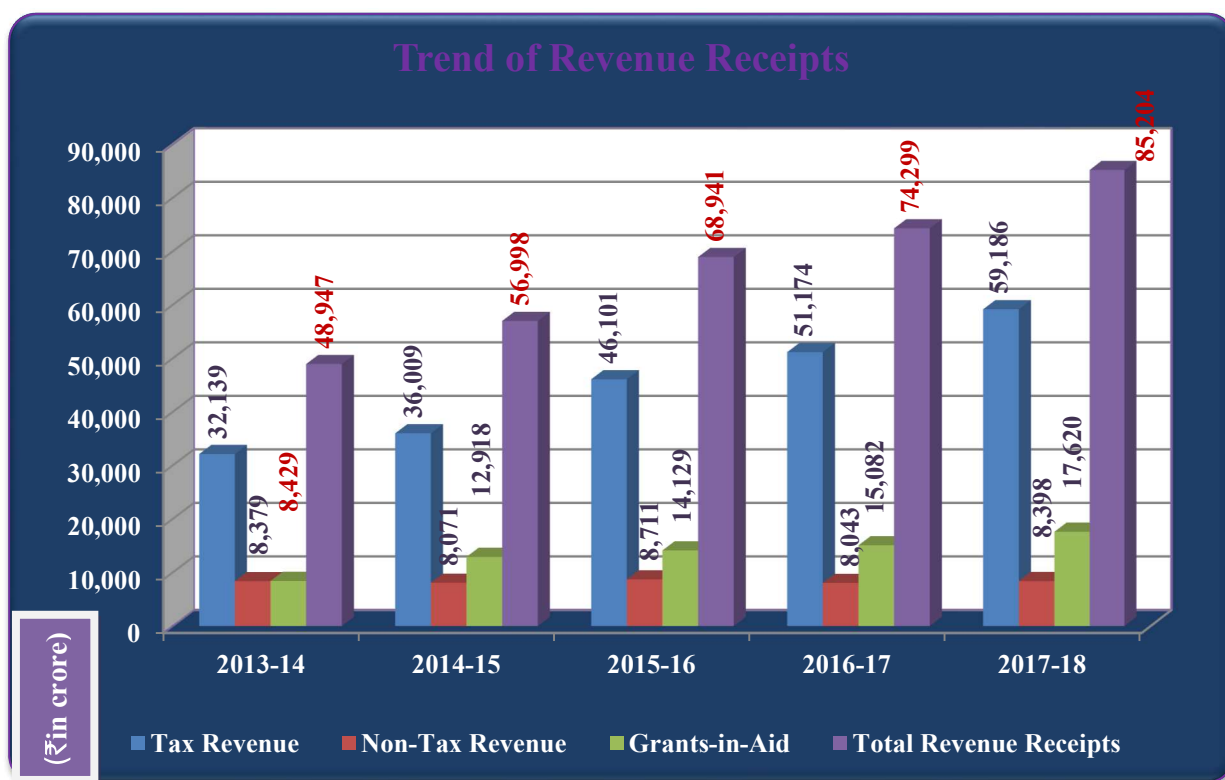
Components	Actuals (₹ in crore)	Per cent to Total Revenue
<b>A. Tax Revenue</b>	<b>59,186</b>	<b>69</b>
Goods and Service Tax	10,207	12
Taxes on Income & Expenditure	17,848	21
Taxes on Property & Capital Transactions	1,579	2
Taxes on Commodities & Services other than Goods and Service Taxes	29,552	35
<b>B. Non-Tax Revenue</b>	<b>8,398</b>	<b>10</b>
Interest Receipts, Dividends and Profits	667	1
General Services	389	1
Social Services	208	...
Economic Services	7,134	8
<b>C. Grants-in-Aid &amp; Contributions</b>	<b>17,620</b>	<b>21</b>
<b>Total - Revenue Receipts (A+B+C)</b>	<b>85,204</b>	<b>100</b>

### 2.2.2 Trend of Revenue Receipts

Particulars	(₹in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenues	32,139	36,009	46,101	51,174	59,186
Non-Tax Revenues	8,379	8,071	8,711	8,043	8,398
Grants-in-Aid	8,429	12,917	14,129	15,082	17,620
Total: Revenue Receipts	48,947	56,998	68,941	74,299	85,204
GSDP	2,96,475 (R.E)	3,14,267 (R.E)	3,30,874 (R.E)	3,77,202 (R.E)	4,15,982 (AE)

A.E – Advance Estimate

R.E – Revised Estimate



The GSDP increased by 10 per cent between 2016-17 and 2017-18 and growth in Revenue collection during that period was 15 per cent. While Tax Revenues increased by 16 per cent, Non-Tax Revenues increased by 4 per cent. Major contributors to Revenue was ₹11,522 crore (3 per cent of GSDP) under Taxes on Sales, Trades etc., and ₹9,575 crore (2 per cent of GSDP) in respect of Corporation Tax.

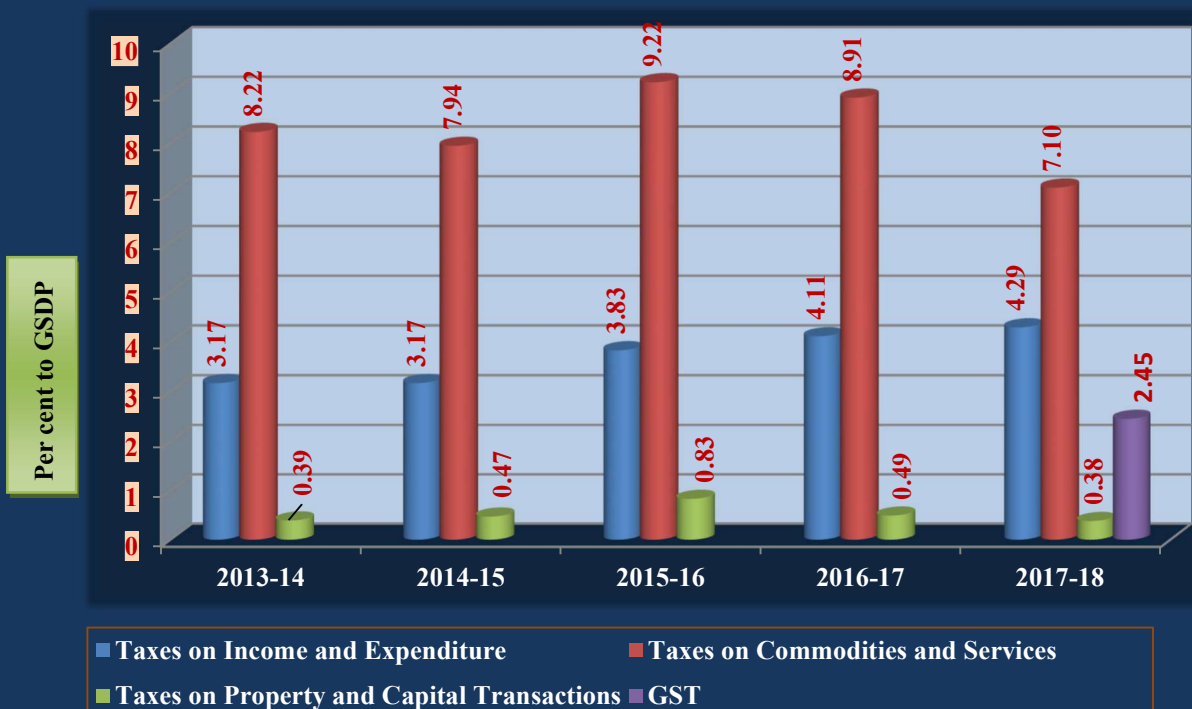
### 2.3 Tax Revenue

#### Sector-wise Tax Revenue

(₹in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
i) Goods and Service Taxes	..	..	..	..	10,207
ii) Taxes on Income and Expenditure	8,654	9,855	12,725	15,558	17,848
iii) Taxes on Property and Capital Transactions	1,051	1,461	2,748	1,844	1,579
iv) Taxes on Commodities and Services other than GST	22,434	24,694	30,628	33,772	29,552
<b>Total: Tax Revenues</b>	<b>32,139</b>	<b>36,010</b>	<b>46,101</b>	<b>51,174</b>	<b>59,186</b>
<b>GSDP</b>	<b>2,96,475 (RE)</b>	<b>3,14,267 (RE)</b>	<b>3,30,874 (RE)</b>	<b>3,77,202 (RE)</b>	<b>4,15,982 (AE)</b>

### Trend of Major Taxes in proportion to GSDP



#### 2.3.1. State's Own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz., State's own tax collections and devolution of Union Taxes.

(₹in crore)

Year	Tax Revenue	State Share of Union Taxes	State's Own Tax	
			Tax Revenue	Percentage to GSDP
2013-14	32,139	15,247	16,892	5.70
2014-15	36,009	16,181	19,828	6.30
2015-16	46,101	23,574	22,527	6.81
2016-17	51,174	28,322	22,852	6.05
2017-18	59,186	31,272	27,914	6.71

Following table depicts the comparative position amount tax revenue received from the two sources over a period of five years:

	2013-14	2014-15	2015-16	2016-17	2017-18
<b>State's own Tax collection</b>	<b>16,892</b>	<b>19,828</b>	<b>22,527</b>	<b>22,852</b>	<b>27,914</b>
<b>Devolution of Union Taxes</b>	<b>15,247</b>	<b>16,181</b>	<b>23,574</b>	<b>28,322</b>	<b>31,272</b>
<b>Total Tax Revenue</b>	<b>32,139</b>	<b>36,009</b>	<b>46,101</b>	<b>51,174</b>	<b>59,186</b>
<b>Percentage of State's own tax to total tax revenue</b>	<b>53</b>	<b>55</b>	<b>49</b>	<b>45</b>	<b>47</b>

The proportion of State's own tax collection in overall tax revenue has remained above 50 per cent during the year 2013-14 to 2014-15 however it declined to below 50 per cent from 2015-16 and stood at 47 per cent during the year 2017-18.

### 2.3.2 Trend in State's own Tax collection over the past five years

<b>Taxes</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>State Goods and Services Tax-0006</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>6609</b>
<b>Land Revenue- 0029</b>	<b>431</b>	<b>646</b>	<b>589</b>	<b>460</b>	<b>542</b>
<b>Stamp and Registration fees-0030</b>	<b>606</b>	<b>800</b>	<b>2,157</b>	<b>1,364</b>	<b>1,037</b>
<b>State Excise-0039</b>	<b>1,780</b>	<b>2,035</b>	<b>2,547</b>	<b>2,786</b>	<b>3,221</b>
<b>Taxes on Sales, Trade etc.-0040</b>	<b>10,729</b>	<b>11,817</b>	<b>13,097</b>	<b>13,402</b>	<b>11,522</b>
<b>Taxes on Vehicles -0041</b>	<b>860</b>	<b>910</b>	<b>1,044</b>	<b>1,216</b>	<b>1,535</b>
<b>Taxes on Goods and Passengers-0042</b>	<b>1,613</b>	<b>1,711</b>	<b>1,663</b>	<b>1,760</b>	<b>1,260</b>
<b>Other taxes</b>	<b>873</b>	<b>1,909</b>	<b>1,430</b>	<b>1,864</b>	<b>2,188</b>
<b>Total State's own Taxes</b>	<b>16,892</b>	<b>19,828</b>	<b>22,527</b>	<b>22,852</b>	<b>27,914</b>

## 2.4 Cost of Tax Collection

### A. Taxes on Properties and Capital Transactions

(₹in crore)

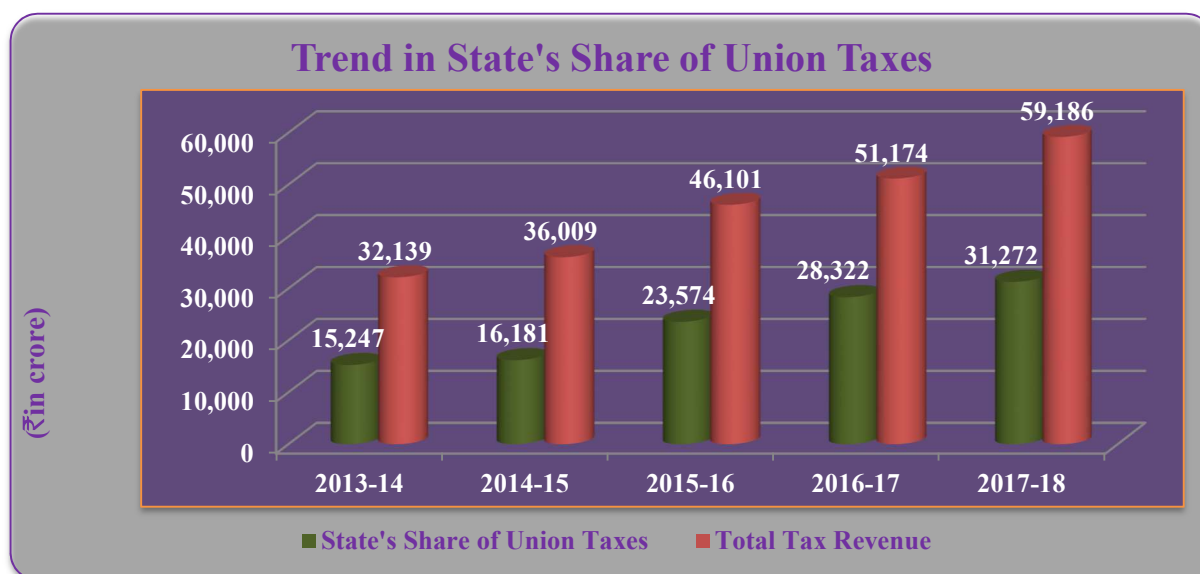
Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
<b>I - Taxes on Sales, Trade etc and SGST</b>					
Revenue collection	10,729	11,817	13,097	13,402	18,131
Expenditure on collection	78	83	85	100	118
Efficiency of Tax collection					
<b>II - States Excise</b>					
Revenue collection	1,780	2,035	2,547	2,786	3,221
Expenditure on collection	46	49	53	56	64
Efficiency of Tax collection					4
<b>III - Taxes on Vehicles</b>					
Revenue collection	860	910	1,044	1,216	1,535
Expenditure on collection	32	47	61	87	113
Efficiency of Tax collection					
<b>IV - Stamp and Registration Fee</b>					
Revenue Collection	606	800	2,157	1,364	1,037
Expenditure on Collection	36	37	37	50	43
Efficiency of Tax collection	..	..	..	4	4

The cost of collection of Taxes on Sales, Trade etc., and State Excise was lower as compared to other taxes.

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

(₹in crore)

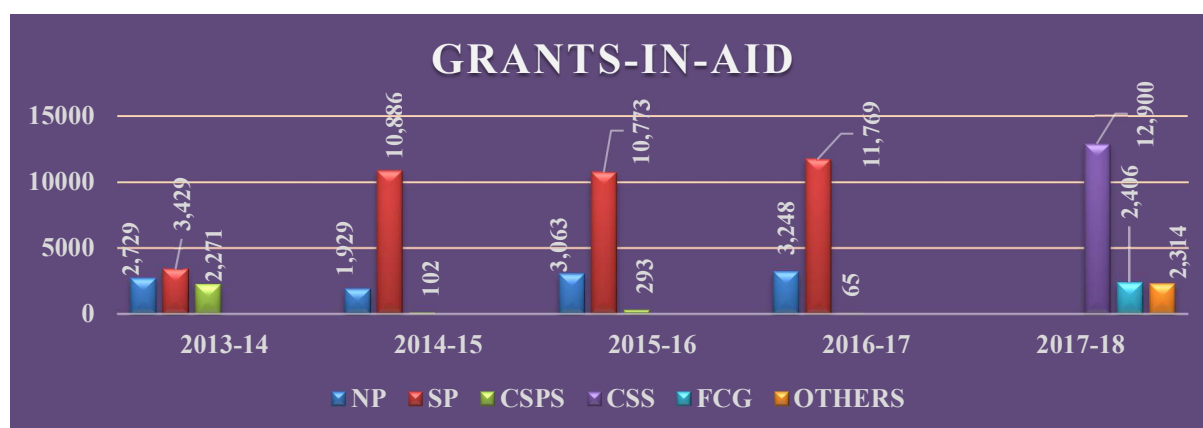
Major Head description	2013-14	2014-15	2015-16	2016-17	2017-18
Central Goods and Service Tax-0005	..	..	..	..	441
Integrated Goods and Service-Tax-0008	..	..	..	..	3,156
Corporation Tax -0020	5,128	5,650	7,409	9,072	9,575
Taxes on Income other than Corporation Tax- 0021	3,376	4,035	5,141	6,305	8,085
Taxes on Wealth- 0032	14	15	2	21	..
Customs- 0037	2,488	2,617	3,771	3,903	3,156
Union Excise Duties- 0038	1,757	1,478	3,147	4,457	3,298
Service Tax- 0044	2,484	2,386	4,086	4,564	3,561
Other Taxes and Duties on Commodities and Services-0045	..	..	18	..	..
Total: State's Share of Union Taxes	15,247	16,181	23,574	28,322	31,272
Total: Tax Revenue	32,139	36,009	46,101	51,174	59,186
Per cent of Union Taxes to Total Tax Revenue	47	45	51	55	53



## 2.6 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 ₹17,620 crore as shown below: -

Year	Non Plan	State Plan	CSPS	CSS	FCG	OTHERS	Total
2013-14	2,729	3,429	2,271	..	..	..	8,429
2014-15	1,929	10,886	102	..	..	..	12,917
2015-16	3,063	10,773	293	..	..	..	14,129
2016-17	3,248	11,769	65	..	..	..	15,082
2017-18	..	..	..	12,900	2,406	2,314	17,620



\*NP: Non-Plan

\*SP: State-Plan

\*CSPS: Centrally Sponsored Plan Schemes

\*CSS: Centrally Sponsored Schemes

\*FCG: Finance Commission Grants

\*Others: Other Transfer / Grants to States

The State Government has received ₹12,900 crore of Grants-in-Aid (61 per cent) against the Budget Estimate (B.E) of ₹21,210 crore in respect of Central Share in Centrally Sponsored Schemes.

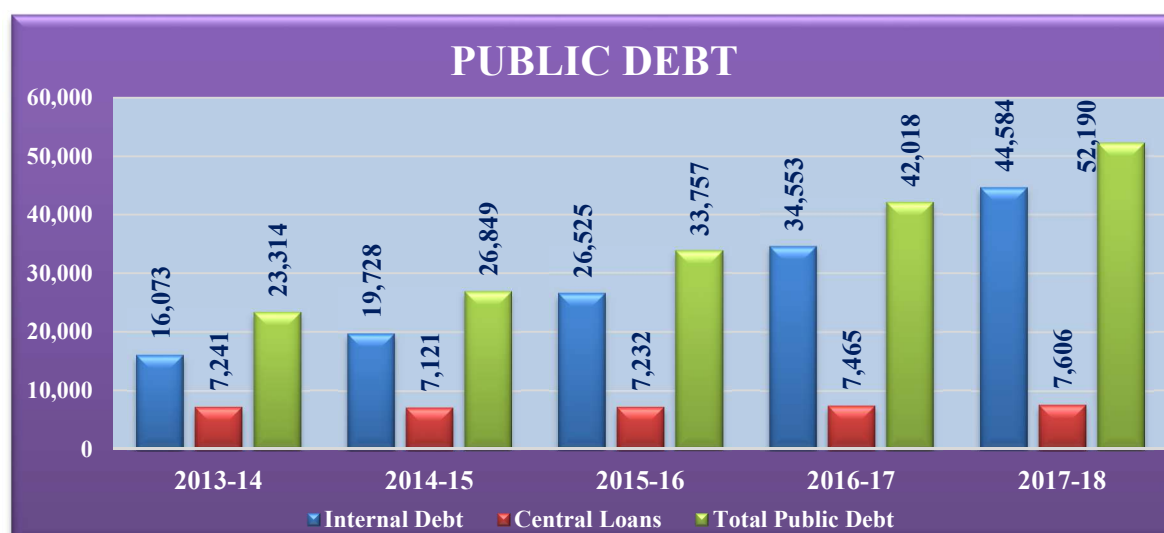
## 2.7. Public Debt

The outstanding Public Debt at the end of the 31 March 2018 was ₹52,190 crore comprising Internal Debt of ₹44,584 crore and Loans and Advances from Central Government ₹7,606 crore.

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

(₹in crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt-6003	16,073	19,728	26,525	34,553	44,584
Central Loans-6004	7,241	7,121	7,232	7,465	7,606
Total: Public Debt	23,314	26,849	33,757	42,018	52,190



### *Net effect of Public Debt for last 5 years*

(₹in crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt-6003 (Net Percent Inc/Decrease)-col	(-) 35	3,656	6,797	8,028	10,031
Central Loans-6004 (Net Percent Inc/Decrease - col	32	(-) 121	111	233	141
Total: Public Debt (Net Percent Inc/Decrease) -col	(-)3	3,535	6,908	8,261	10,172

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 up to the financial year 2016-17.

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

From 2017-18 The Government of Odisha has classified the expenditure under four categories A-Administrative Expenditure, B-Programme Expenditure, C-Disaster Response Funds & D- Transfer from State. The expenditure under C and D were shown under Administrative Expenditure in the Finance Accounts 2017-18.

#### 3.2. Revenue Expenditure

Revenue Expenditure of ₹ 71,837 crore fell short of Budget Estimates by ₹10,400 crore due to less disbursement of ₹13,259 crore under Administrative Expenditure and over disbursement of ₹2,859 crore under Programme Expenditure.

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

	(₹in crore)				
<b>Year</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>Budget Estimates (BE)</b>	49,394	62,882	65,839	74,443	82,237
<b>Actuals</b>	45,618	51,136	58,806	65,041	71,837
<b>Gap</b>	3,776	11,746	7,033	9,402	10,400
<b>Per cent of variation of Actuals against B.E</b>	8	19	11	13	13

Around 47 per cent of the total revenue expenditure was incurred on committed expenses viz. on Salaries (₹17,527) Interest payment (₹4,988) Pensions (₹8,693) and subsidies (₹2,830) which is the committed liability of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

<b>Component</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>Total Revenue Expenditure</b>	<b>4,56,18</b>	<b>5,11,36</b>	<b>5,88,06</b>	<b>6,80,41</b>	<b>7,18,37</b>
<b>Committed Revenue Expenditure #</b>	<b>2,14,89</b>	<b>2,37,37</b>	<b>2,63,28</b>	<b>2,82,99</b>	<b>3,40,38</b>
<b>Percentage of Committed Revenue</b>	<b>47</b>	<b>46</b>	<b>45</b>	<b>42</b>	<b>47</b>
<b>Uncommitted Revenue Expenditure</b>	<b>2,41,29</b>	<b>2,73,99</b>	<b>3,24,78</b>	<b>3,97,42</b>	<b>3,77,99</b>

# Committed revenue expenditure includes expenditure on Salaries, Interest Payments, Pensions and Subsidies. (St-2)

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 57 per cent from ₹24,129 crore in 2013-14 to ₹37,799 crore in 2017-18. The total revenue expenditure increased by 57 per cent from ₹45,618 crore in 2013-14 to ₹71,837 crore in 2017-18 and committed revenue expenditure by 58 per cent over the same period.

### 3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

<b>(₹in crore)</b>		
<b>Components</b>	<b>Amount</b>	<b>Percentage of Revenue Expenditure</b>
<b>A. Fiscal Services</b>	<b>856</b>	<b>1</b>
(i) Collection of Taxes on Property and Capital Transactions	540	0.5
(ii) Collection of Taxes on Commodities and Services	311	..
(iii) Other Fiscal Services	5	..
<b>B. Organs of State</b>	<b>540</b>	<b>0.5</b>
<b>C. Interest Payments and Servicing of Debt</b>	<b>4,988</b>	<b>7</b>
<b>D. Administrative Services</b>	<b>5,153</b>	<b>7</b>
<b>E. Pensions and Miscellaneous General Services</b>	<b>8,724</b>	<b>12</b>
<b>F. Social Services</b>	<b>29,557</b>	<b>41</b>
<b>G. Economic Services</b>	<b>20,757</b>	<b>29</b>
<b>H. Grants-in-Aid and Contributions</b>	<b>1,263</b>	<b>2</b>
<b>Total: Expenditure (Revenue Account)</b>	<b>71,837</b>	<b>100</b>

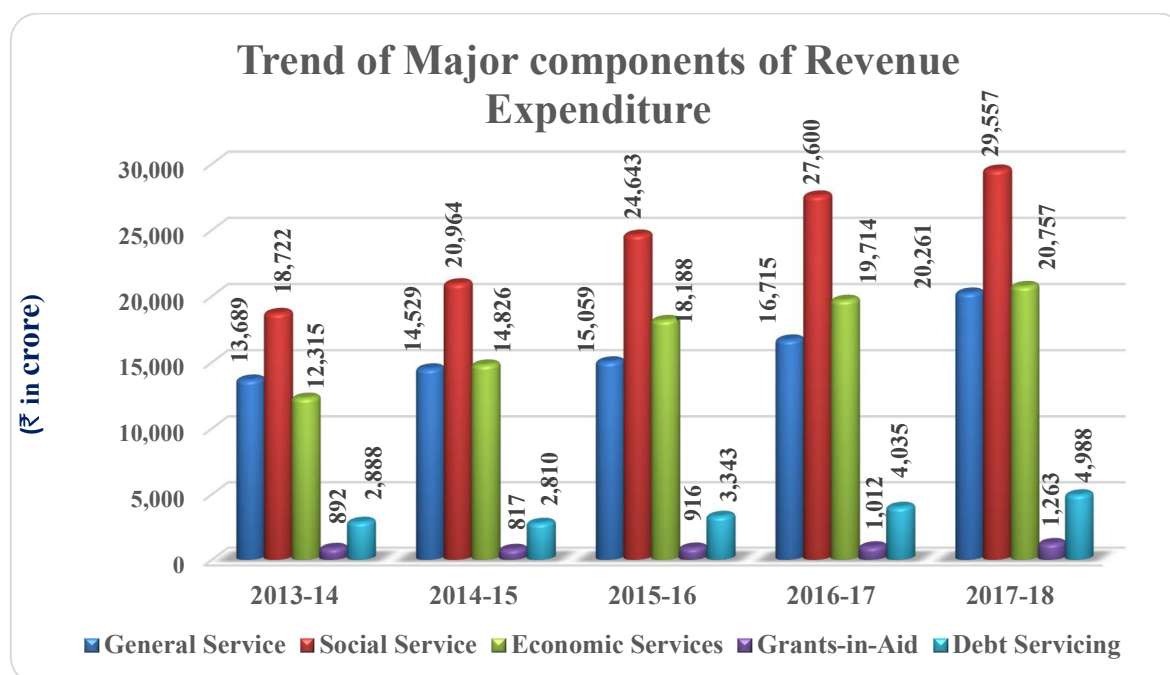
### 3.2.2 Major components of Revenue Expenditure (2013–2018)

#### Major components of Revenue Expenditure (2013 to 2018)

(₹ in crore)

Year	General Services *	Social Services	Economic Services	Grants-in-Aid	Total Revenue Expenditure	Debt Servicing
2013-14	13,689	18,722	12,315	892	45,618	2,888
2014-15	14,529	20,964	14,826	817	51,136	2,810
2015-16	15,059	24,643	18,188	916	58,806	3,343
2016-17	16,715	27,600	19,714	1,012	65,041	4,035
2017-18	20,261	29,557	20,757	1,263	71,837	4,988

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



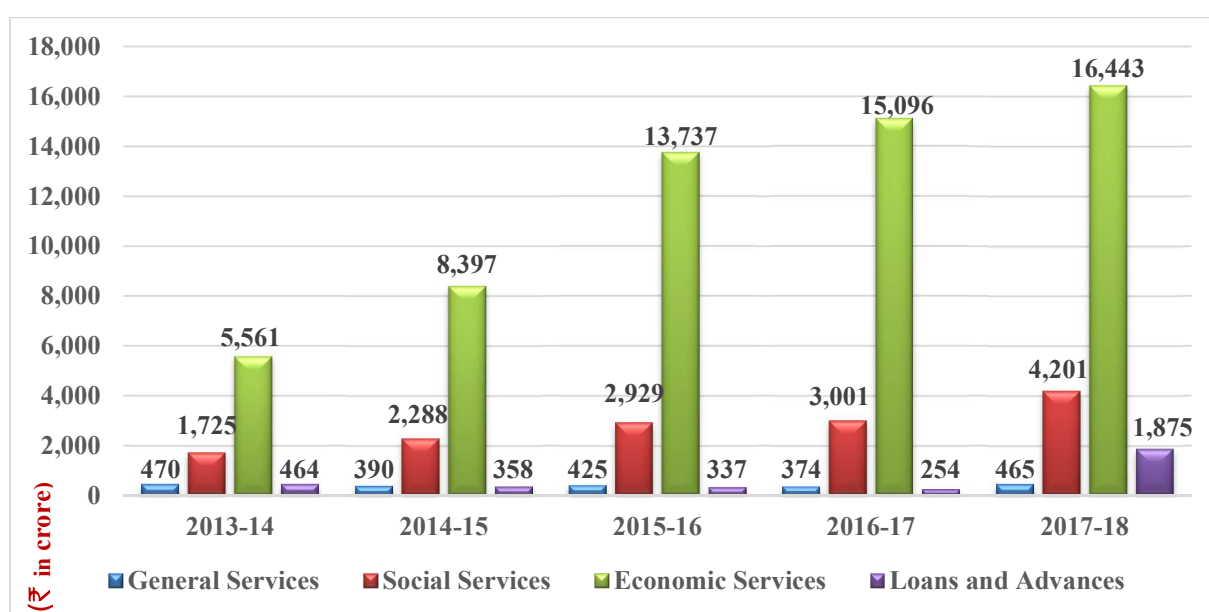
### 3.3. Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2017-18 amounting to ₹22,984 crore (6 % of GSDP) were excess than Budget Estimate by ₹1,690 crore (excess disbursement of ₹1,800 crore under Programme expenditure and less expenditure of ₹3,490 crore under Administrative expenditure). The growth in Capital expenditure has not kept pace with the steady growth of GSDP since 2013-14 onwards.

This can be seen from the table below:

Sl. No	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	Budget (BE)	8,090	11,216	15,742	18,401	21,260
2	Actual Expenditure	8,219	11,433	17,427	18,725	22,984
3	Percentage of Actual Exp to B.E	102	102	111	102	108
4	Yearly growth in Capital Expenditure	41	39	52	7	23
5	GSDP-	2,96,475	3,14,267	3,30,874	3,77,202	4,15,982
6	Yearly growth in GSDP	13	6	5	14	10

### Trend of different Sectors of Capital Expenditure



#### 3.3.1 Sectoral distribution of Capital Expenditure and Revenue Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

Sl. No	Sector		2013-14	2014-15	2015-16	2016-17	2017-18
(A)	General Services	Capital	470	390	425	374	465
		Revenue	13,689	14,529	15,059	16,715	20,261
(B)	Social Services	Capital	1,725	2,288	2,929	3,001	4,201
		Revenue	18,722	20,964	24,643	27,600	29,557
(C)	Economic Services	Capital	5,561	8,397	13,737	15,096	16,443
		Revenue	12,315	14,826	18,188	19,714	20,757
(D)	Grant in Aid and Contributions	Capital	..	..	..	..	..
		Revenue	892	817	916	1,012	1,263

## Chapter IV

### PROGRAMME & ADMINISTRATIVE EXPENDITURE

#### 4.1 Introduction

As a part of Budgetary reforms programme Government of India has merged the long-standing practice of classification of expenditure under 'PLAN AND NON-PLAN' which is reflected in the Annual Accounts of 2017-18.

Government of Odisha has also made similar arrangement for the Budget Estimates for 2017-18 for merger of Plan and Non-Plan with the existing Budgetary frameworks. With the elimination of Plan and Non-Plan the Government of Odisha has revised Budget classification as follows:

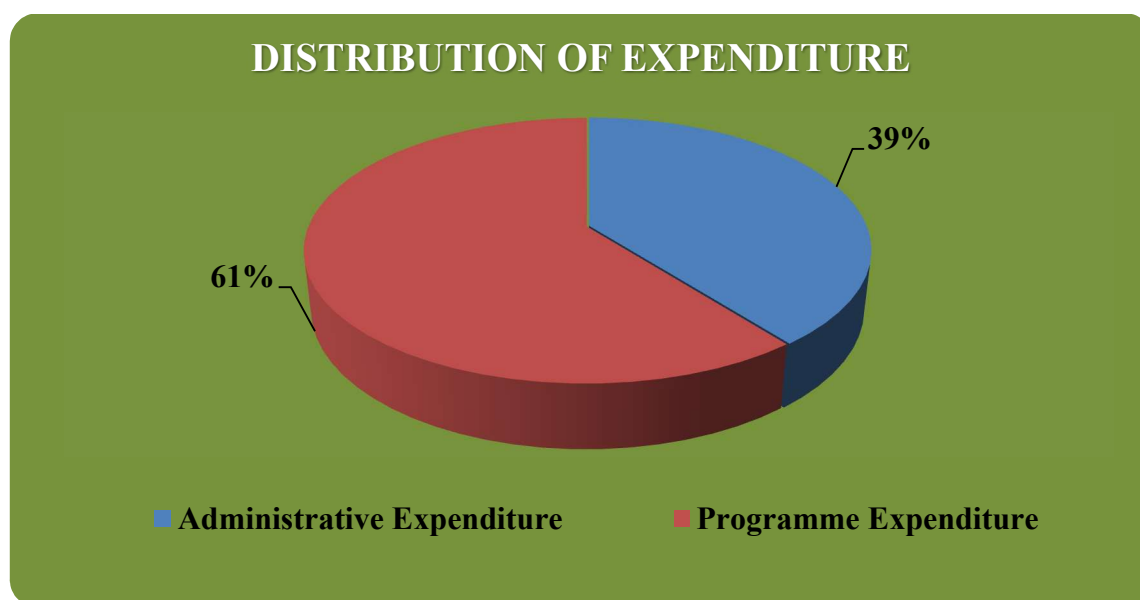
Budgetary Classification		
A.	Administrative Expenditure	(i) Establishment Operation and Maintenance (EOM) Expenditure
		(ii) Debt Servicing Expenditure
B.	Programme Expenditure	(i) State Sector Schemes
		(ii) Central Sector Schemes
		(iii) Central Sponsored Schemes
C.	Disaster Response Funds*	(i) State Disaster Response Fund (SDRF)
		(ii) National Disaster Response Fund (NDRF)
D.	Transfer from State*	(i) Union Finance Commission Transfers to Local Bodies
		(ii) State Finance Commission Transfers to Local Bodies
		(iii) Other Transfers

**NB:** The expenditure under C and D were shown under Administrative Expenditure in the Finance Accounts 2017-18.

\*For statistical purpose the expenditure under C- Disaster Response Funds & D- Transfer from State have been subsumed under A-Administrative Expenditure.

## 4.2. Distribution of Expenditure

The Total Expenditure during the year was ₹94,821 crore representing Programme Expenditure of ₹57,459 crore and Administrative Expenditure of ₹37,362 crore.

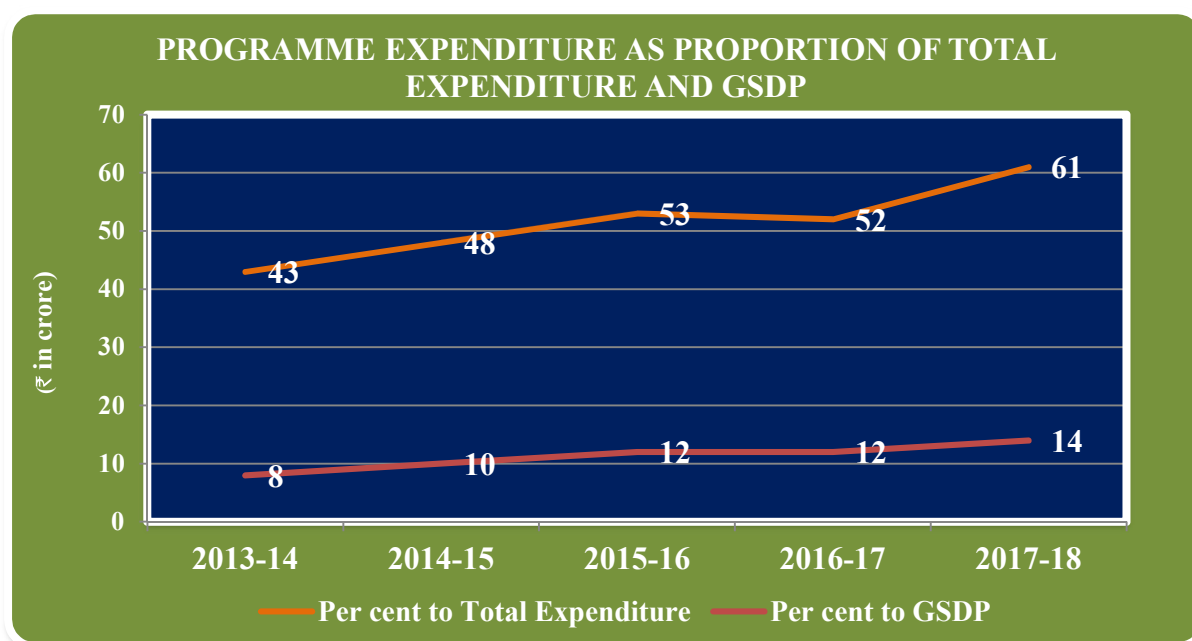


## 4.3. Plan/Programme Expenditure

During the year, Programme Expenditure, representing 61 per cent of Total Disbursements, was ₹57,459 crore (₹34,592 crore under State Sector Scheme, ₹21,072 crore under Centrally Sector Schemes and ₹1,795 crore under Loans and Advances).

### Plan/Programme Expenditure as a proportion of Total Expenditure and GSDP

Year	2013-14	2014-15	2015-16	2016-17	2017-18
Plan /Programme Expenditure (₹ in crore)	22,971	30,193	40,589	43,952	57,459
Percentage to Total Expenditure	43	48	53	52	61
Percentage to GSDP	8	10	12	12	14



#### 4.3.1. Plan/Programme Expenditure under Capital Account

(₹ in crore)

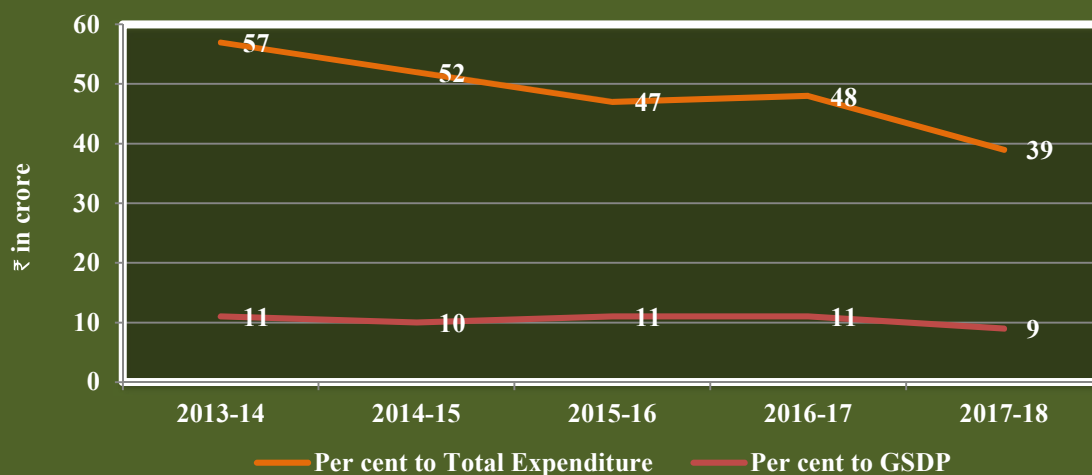
Sector	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Total Capital Expenditure</b>	8,220	11,433	17,428	18,725	22,984
<b>Capital Expenditure (Programme)</b>	7,963	11,316	17,318	18,621	22,867
<b>Per cent of Capital Expenditure (Programme) to Total Capital Expenditure</b>	97	99	99	99	99

#### 4.4. Non-Plan/Administrative Expenditure

Administrative Expenditure during the year, representing 48 percent of Total Disbursements, was ₹39,814 crore, (₹4,035 crore under Revenue and ₹104 crore under Capital).

Year	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Non-Plan/ Administrative Expenditure (₹ in crore)</b>	30,867	32,376	35,645	39,814	37,362
<b>Percentage to Total Expenditure</b>	57	52	47	48	39
<b>Percentage to GSDP</b>	11	10	11	11	9

### NON-PLAN / ADMINISTRATIVE EXPENDITURE AS PROPORTION OF TOTAL EXPENDITURE AND GSDP



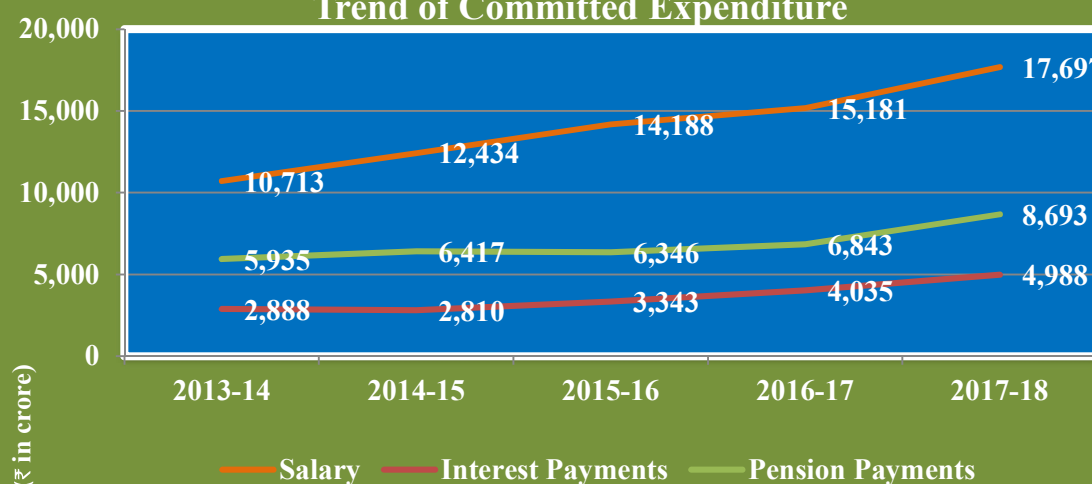
#### 4.5. Committed Expenditure

##### Trend of Committed Expenditure

(₹ in crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Committed Expenditure</b>	19,536	21,661	23,877	26,059	31,378
<b>Revenue Expenditure</b>	45,618	51,136	58,806	65,041	71,837
<b>Revenue Receipts</b>	48,947	56,998	68,941	74,299	85,204
<b>Per cent of Committed Expenditure to Revenue Receipts</b>	40	38	35	35	37
<b>Per cent of Committed Expenditure to Revenue Expenditure</b>	43	42	41	40	44

##### Trend of Committed Expenditure





## Chapter V

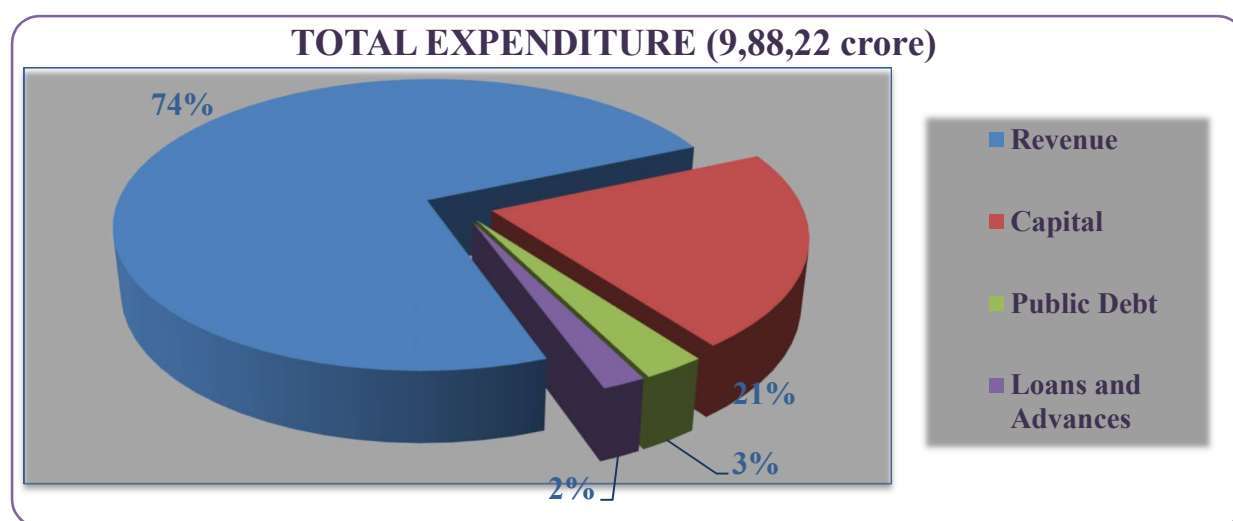
### APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Odisha for the year 2017-18 present the accounts of sums expended in the year ended 31 March 2018 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 2017-18

(₹in crore)

Sl. No	Nature of Expenditure	Original Grants	Supplementary Grants	Re-appropriation	Total	Actual Expenditure	Savings (-) Excess (+)
1.	<b>Revenue</b>						
	Voted	80,129	5,912	..	86,041	68,028	(-) 18,013
	Charged	5,137	6	..	5,133	5,089	(-) 55
	<b>Total</b>	<b>85,266</b>	<b>5,918</b>	<b>...</b>	<b>91,184</b>	<b>73,117</b>	<b>(-) 18,068</b>
2.	<b>Capital</b>						
	Voted	20,805	2,508	..	23,314	21,132	(-) 2,182
	Charged	28	2	..	30	8	(-) 22
	<b>Total</b>	<b>20,834</b>	<b>2,510</b>	<b>..</b>	<b>23,344</b>	<b>21,140</b>	<b>(-) 2,204</b>
3.	<b>Public Debt</b>	3,415	..	..	3,415	2,690	(-)724
	<b>Total</b>	<b>3,415</b>	<b>..</b>	<b>..</b>	<b>3,415</b>	<b>2,690</b>	<b>(-)724</b>
4.	<b>Loans and Advances</b>						
	Voted	685	..	..	685	475	(-)210
	Charged	..	1,400	..	1,400	1,400	..
	<b>Total</b>	<b>685</b>	<b>1,400</b>	<b>..</b>	<b>2,085</b>	<b>1,875</b>	<b>(-)210</b>
<b>Grand Total</b>		<b>1,10,200</b>	<b>9,828</b>	<b>..</b>	<b>1,20,028</b>	<b>98,822</b>	<b>(-)21,206</b>



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

Year	Savings (-)/Excess (+)				(₹in crore)
	Revenue	Capital	Public Debt	Loans & Advances	Total
2013-14	(-)11,145	(-)1,064	(-)526	(-)21	(-)12,756
2014-15	(-)15,061	(-)3,107	(-)419	(-)189	(-)18,775
2015-16	(-)14,475	(-)1,852	(-)72	(-)318	(-)16,717
2016-17	(-)14,007	(-)1,016	(-)46	(-)1,548	(-)16,617
2017-18	(-)18,068	(-)2,204	(-)725	(-)210	(-)21,206

## 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	2013-14	2014-15	2015-16	2016-17	2017-18
<b>REVENUE (Voted)</b>						
3	Revenue and Disaster Management	43	36	39	37	19
5	Finance	29	23	33	38	32
8	Odisha Legislative Assembly	40	45	23	29	32
12	Health and Family Welfare	14	19	19	9	11
22	Forest & Environment	22	13	26	10	21
28	Rural Development	5	32	11	8	16
33	Fisheries and Animal Resources Development	13	16	15	16	21
<b>CAPITAL (Voted)</b>						
1	Home	01	20	39	26	01
5	Finance	11	24	28	35	39
6	Commerce	36	27	27	14	27
10	School & Mass Education	59	74	56	7	38
11	Scheduled Tribes & Scheduled Castes Development and Minorities & Backward Classes Welfare	12	28	11	15	09

Cont..

(in per cent)

Grant	Nomenclature	2013-14	2014-15	2015-16	2016-17	2017-18
<b>CAPITAL (Voted) cont..</b>						
16	Planning & Co-ordination	19	30	27	11	17
21	Transport	..	6	21	15	24
23	Agriculture and Farmer's Empowerment	..	..	10	21	20
31	Handlooms, Textiles & Handicrafts	..	..	..	100	99
32	Tourism and Culture	..	17	..	25	23
33	Fisheries and Animal Resources Development	25	12	20	44	44
34	Co-operation	2	82	27	58	68
39	Skill Development and Technical Education	49	19	19	24	38
40	Micro, Small & Medium Enterprises	..	..	..	65	..

During 2017-18, Supplementary Grants totaling to ₹9,829 crore (10 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	4,101	95	3,811
2	General Administration	Revenue	162	11	144
3	Revenue and Disaster Management	Revenue	953	15	788
4	Law	Revenue	340	03	280
6	Commerce	Revenue	86	0.17	68
7	Works	Revenue Capital	2,195 2,763	7 10	1,846 2,716
9	Food Supplies and Consumer Welfare	Revenue	1,003	02	986
10	School and Mass Education	Revenue	13,429	396	11,744

Cont..

(₹ in crore)

Grant No.	Department	Section	Original	Supplementary	Actual Expenditure
11	Scheduled Tribes & Scheduled Castes Development and Minorities & Backward Classes Welfare	Revenue	2,487	119	2,324
12	Health and Family Welfare	Revenue Capital	4,552 1,160	57 57	4,093 835
19	Industries	Revenue	260	18	257
20	Water Resources	Revenue Capital	2,175 7,035	49 485	1,983 6,843
21	Transport	Capital	280	0.40	270
22	Forest and Environment	Revenue	744	30	614
23	Agriculture & Farmer's Empowerment	Revenue	3,871	15	2,941
26	Excise	Revenue	89	0.06	68
28	Rural Development	Revenue	2,915	03	2,455
29	Parliamentary Affairs	Revenue	31	02	28
31	Handloom, Textiles & Handicrafts	Revenue	177	0.96	139
32	Tourism & Culture	Capital	128	02	100
33	Fisheries and Animal Resources Development	Revenue	702	08	562
34	Co-operation	Revenue Capital	827 200	05 0.20	822 65
36	Women and Child Development	Revenue	2,833	296	2,206
38	Higher Education	Revenue	2,025	33	1,712
39	Skill Development and Empowerment of Persons with Disabilities	Revenue Capital	327 478	10 42	298 321
41	Social Security and Empowerment of Persons with Disabilities	Revenue	2,008	64	1,915
42	Disaster Management Department	Revenue	4,598	1,144	1,993



## 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 ₹4,974 crore at the end of 2017-18. However, Dividends received during the year were ₹66 crore (i.e., 1.33 per cent on Investment) During 2017-18, Investments increased by ₹551crore, while Dividend income decreased by ₹500 crore.

Cash Balance with RBI stood at ₹319 crore on 31 March 2017 and increased to ₹557 crore at the end of March 2018.

### 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 with in 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), 2016”.

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.

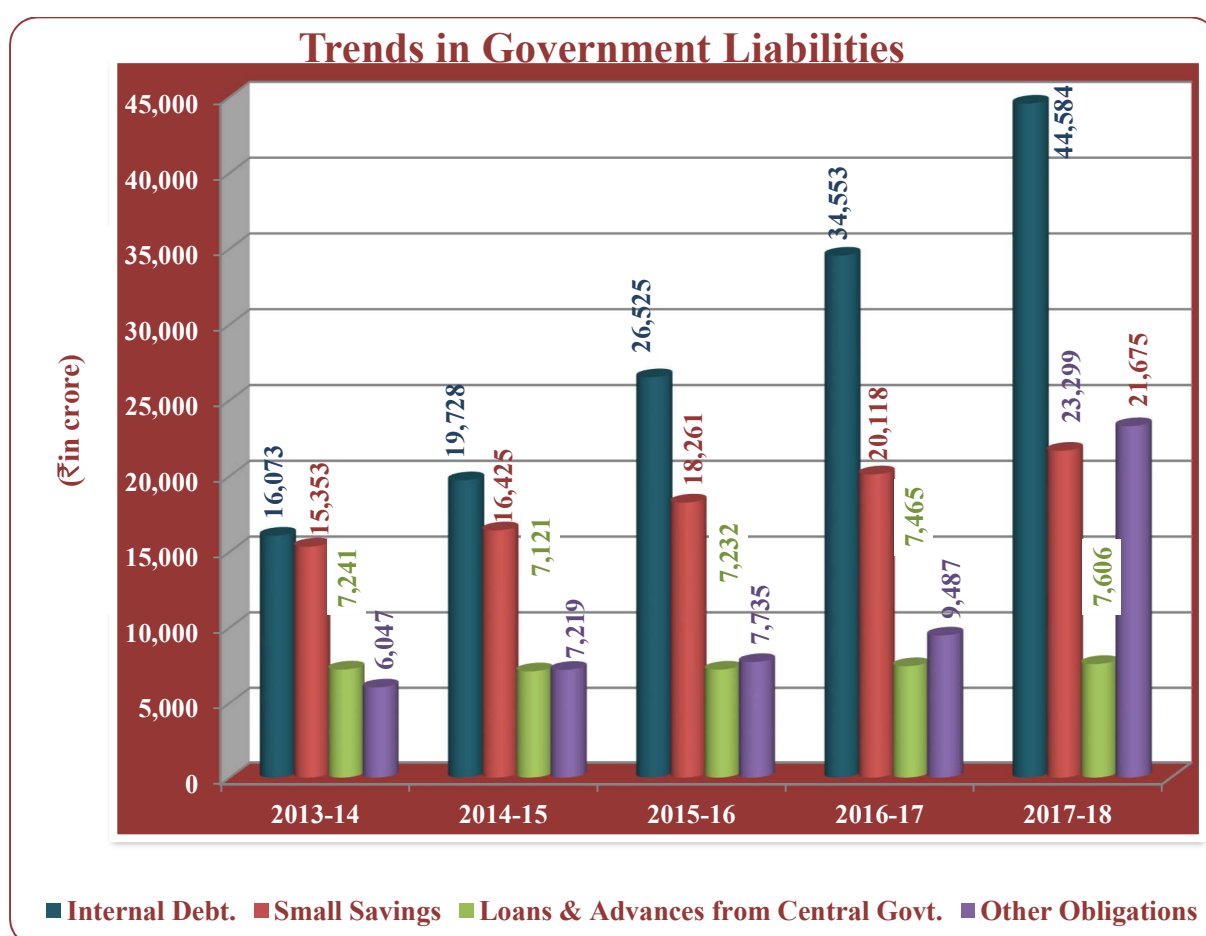
### Details of Public Debt and Total Liabilities for last five years:

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
2013-14	23,314	8	21,400	7	44,714	15
2014-15	26,849	9	23,644	8	50,493	16
2015-16	33,757	10	25,996	8	59,753	18
2016-17	42,018	11	29,605	8	71,623	19
2017-18	52,190	13	44,974	11	97,164	23

(\*) Excludes Suspense and Remittance balances.

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

During 2017-18 the total Liabilities increased by ₹25,541 crore (36 per cent) over previous year.



### 6.3 Guarantees

In addition to directly raising loans, State Government also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc. from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies etc. for whom the guarantee was extended and are projected outside the State Budget. 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 2018	
		Principal	Interest*
2013-14	10,625	1,705	..
2014-15	10,886	1,672	..
2015-16	10,891	1,290	..
2016-17	12,281	2,256	..
2017-18	12,281	1,711	..

\* 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 1 day of April every year shall not exceed 100 per cent of the State Revenue Receipts of the 2<sup>nd</sup> preceding year. The Guarantee extended by the State Government is within the prescribed limit.



## Chapter VII

### OTHER ITEMS

#### 7.1 Adverse Balances under Internal Debt

Borrowings of State Government are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial Institutions for implementation of various schemes under programme expenditure which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Government account (in case of non-repayment by the loanee entities), resulting in irreconcilable adverse balances and understated as a liability in Government accounts. As on 31 March 2017 no adverse balance is appearing in favour of Odisha State.

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

Total Loans and Advances given by the State Government at the end of 2017-18 was ₹6,326 crore which includes ₹5,922 crore to Government Corporations, Companies, Non-Government Institutions and Local Bodies.

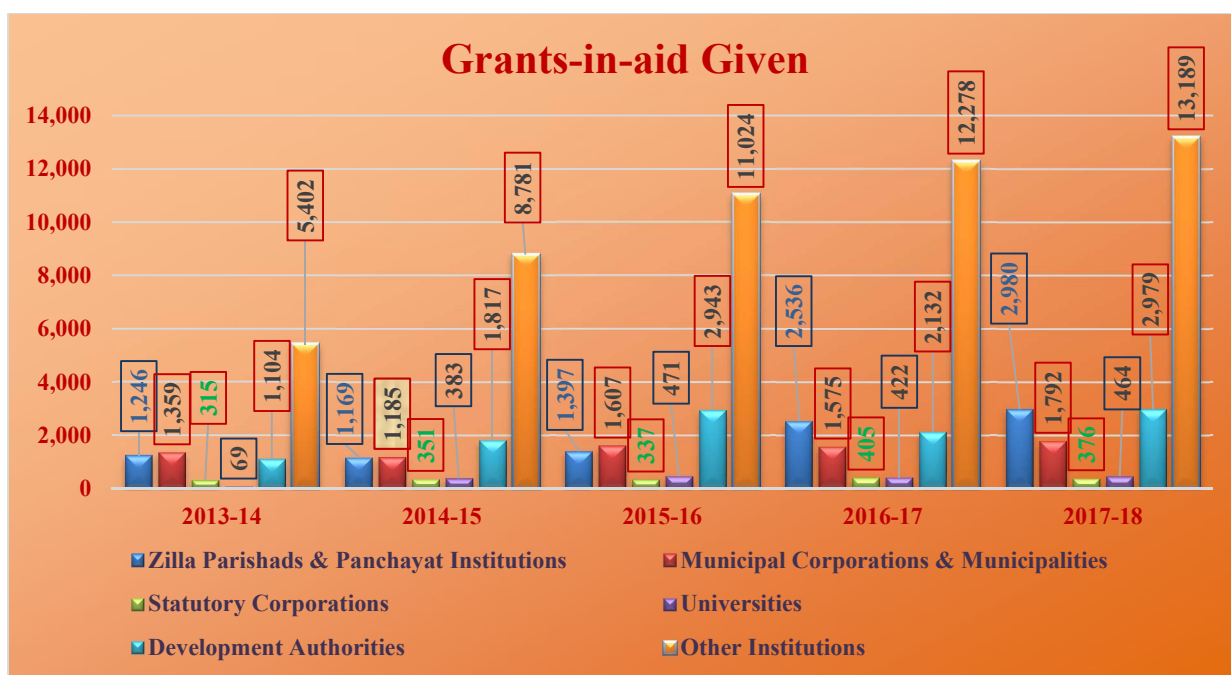
#### 7.3 Financial Assistance to Local Bodies and Others

During the past five years, Grants-in-Aid to Local Bodies etc., increased from ₹9,495 crore in 2013-14 to ₹21,780 crore in 2017-18. Grants to Zilla Parishads, Panchayat Samities and Municipalities (₹4,772 crore) represented 22 per cent of total Grants given during the year.

Details of Grants-in-aid for the past 5 years are as under:

(₹in crore)						
Sl. No	Name of Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1	Zilla Parishads & Panchayat Institutions	1,246	1,169	1,397	2,536	2,980
2	Municipal Corporations & Municipalities	1,359	1,185	1,607	1,575	1,792
3	Statutory Corporations	315	351	337	405	376
4	Universities	69	383	471	422	464
5	Development Authorities	1,104	1,817	2,943	2,132	2,979
6	Other Institutions	5,402	8,781	11,024	12,278	13,189
	Total	9,495	13,686	17,779	19,348	21,780





**Details of Grants-in-Aid Given for Creation of Assets for the past 5 years as under:**

(₹in crore)

Sl. No	Name of Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1	Zilla Parishads & Panchayat Institutions	29	7	151	264	305
2	Municipal Corporations & Municipalities	584	352	582	292	349
3	Statutory Corporations	55	131	198	102	88
4	Universities	50	123	117	55	72
5	Development Authorities	464	1,243	941	515	520
6	Other Institutions	2,562	4,147	5,312	5,431	6,368
	<b>Total</b>	<b>3,744</b>	<b>6,003</b>	<b>7,301</b>	<b>6,659</b>	<b>7,702</b>

#### 7.4 Cash Balance and Investment of Cash Balance

The Cash Balance increased from ₹319 crore at the beginning of the year 2017-18 ₹557 crore at its end. Investment held in Cash Balance Investment Account as on 31 March 2018 were ₹24,748 crore. During 2017-18, Interest Receipt on Cash Balance Investment, ₹559 crore, increased by 43 per cent in comparison to previous year.

The details are furnished below: -

(₹in crore)			
Component	As on 1 April 2017	As on 31 March 2018	Net increase (+) / decrease(-)
1.Cash Balances	319	557	(+) 238
2.Investments from Cash Balance (GOI Treasury Bills)	8,738	24,748	(+) 16,010
3. Other Cash Balances			
i) Cash with Departmental Officers and Permanent Advance	21.36	20.11	(-) 1.25
ii) Investment from Earmarked Fund Balances	5,523	5,523	..
(a) Sinking Fund			
(b) Guarantee Redemption Fund			
<b>TOTAL (1+2+3)</b>	<b>14,601</b>	<b>30,848</b>	<b>(+) 16,247</b>
Interest realised on Cash Balance Investment Account	391	559	168

## 7.5 Reconciliation of Accounts

To exercise effective control of expenditure, to keep it within the Budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs/ Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure recorded in their books every month with figures accounted for by the office of the Pr. 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 Pr. Accountant General (A&E). The reconciliation status of Receipts and Expenditure figures up to the end of year 2017-18 are detailed below:

Particulars	Reconciled by the end of 2016-17	Reconciled by the end of 2017-18
<b>Expenditure</b>	151 out of 167 COs reconciled an amount of ₹ 83,019.93 crore (99.41 per cent)	154 out 168 COs reconciled an amount of ₹ 91,699.70 crore (98.66 per cent)
<b>Receipts</b>	27 out of 70 COs reconciled an amount of ₹ 72,621.89 crore (97.74 per cent)	15 out of 72 COs reconciled an amount of ₹ 82,275.87 crore (96.56 per cent)

## 7.6 Submission of Accounts by Accounts Rendering Units

The Finance Accounts 2017-18 present the transactions of the Government of Odisha for the period 1 April, 2017 to 31 March 2018. The accounts of receipts and expenditure of the Government of Odisha have been compiled based on the initial accounts rendered by 32 District

Treasuries, 08 Special Treasuries, 80 Public Works Divisions, 62 Irrigation Projects, 3 Forest Divisions and Advices of the Reserve Bank of India. Rendition of monthly accounts by the Accounts Rendering Units of the State Government was satisfactory and no accounts remained excluded at the end of the Financial year.

## 7.7 Status of Suspense Balances

Details of outstanding balances under Major Head – 8658- Suspense Accounts is as under:

Name of Minor head under 8658	2013-14		2014-15		2015-16		2016-17		2017-18	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
101- Pay and Accounts officer- Suspense	28.64	1.46	23.08	1.49	41.43	0.99	72.20	0.98	94.03	0.93
Net	Dr. 27.18		Dr. 21.59		Dr. 40.44		Dr. 71.22		Dr. 93.10	
102-Suspense Account (Civil)	88.78	96.19	192.05	216.63	138.24	160.86	16.01	54.54	12.58	39.82
Net	Cr. 7.41		Cr. 24.58		Cr. 22.72		Cr. 38.53		Cr. 27.24	
110-Reserve Bank Suspense Central Accounts Officer	63.37	14.77	44.64	14.77	42.33	14.78	46.09	14.78	3.44	..
Net	Dr. 48.60		Dr. 29.87		Dr. 27.55		Dr. 31.31		Dr. 3.44	

## 7.8 Unadjusted Abstract Contingent (AC) 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 2018, 1061 DC bills amounting to ₹37.21 crore was outstanding which indicates that these instructions have not been followed.

Year	Number of Pending DC Bills	Amount (₹ in crore)
Up to 2015-16	321	6.04
2016-17	466	16.62
2017-18	274	14.55
<b>TOTAL</b>	<b>10,61</b>	<b>37.21</b>

## 7.9 Commitment on Account of Incomplete Capital Works

A Total Expenditure of ₹6,838.23 crore was incurred up to the year 2017-18 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. Details are available in Finance Accounts-Vol-II-Appendix-IX.

## 8.0 Status of Outstanding Utilisation Certificates

Odisha General Financial Rules (OGFR) 173 prescribes that, where grants are sanctioned for specific purposes, the Departmental Officer under whose signature or counter signature the Grants-in-Aid bill is drawn, shall obtain UCs from the grantees, which after verification by Administrative Departments, shall be forwarded to the Pr. Accountant General (A&E) by 30 June of the succeeding year of expenditure, unless otherwise mentioned in the sanction order. The status of outstanding UCs as on 31 March 2018 is given below:

Year	Number of Utilisation Certificates awaited	Amount (₹ in crore)
Upto 2015-16	22,250	13,486.31
2016-17	3,361	8,550.44
2017-18*	2,918	16,391.16
TOTAL	28,529	38,427.91

\*Except where the sanction order otherwise specifies, UCs in respect of Grants-in-Aid bill drawn during 2017-18, become due only by 30<sup>th</sup> June 2018.

## 8.1 National Pension System

The expenditure during the year on pension and other retirement benefits in respect of State Government employees was ₹8,692.86 crore (12.10 per cent of the total revenue expenditure). State Government employees recruited with effect from 01 January 2005 are eligible for the National Pension System, which is a Defined Contributory Pension Scheme. In terms of the scheme, the employee contributes 10 per cent of his basic pay and dearness allowance, a matching amount is contributed by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank. During the year, the Government deposited ₹847.76 crore (employees' contribution ₹414.93 crore and Government contributed ₹432.83 crore as its share) to the funds created under the Major Head 8342-117-Defined Contributory Pension Scheme, with a more matching contribution of ₹17.90 crore. During the year an amount of ₹862.24 crore was transferred to

NSDL leaving a balance of ₹20.72 crore (includes balance of previous year ₹35.21 crore) in the Fund as on 31 March 2018. The un-transferred amount is a liability to the Government.

## 8.2 Personal Deposit Accounts

Government is authorised to open Personal Deposit (PD) accounts for specific purposes in to which funds are transferred from the Consolidated Fund. In terms of the Odisha Treasury Code, PD accounts remaining in-operative for more than three full financial years, after the year of last transaction, are required to be closed and the unspent balance credited to the Consolidated Fund. Seven new PD accounts were opened during 2017-18 and eight PD accounts were closed, involving an amount of ₹0.20 crore, leaving a closing balance of ₹13,509.35 crore in 836 PD accounts.

Personal Deposit Account Details are given overleaf:

Opening Balance As on 01 April 2017		Addition during the year 2017-18		PD A/cs closed	Expenditure during the year 2017-18	(₹in crore) Outstanding As on 31 March 2018	
Number	Amount	No. of PD A/cs opened	Deposits made in New PD A/cs including already existing accounts	Number	Expenditure made from PD A/cs including closed accounts	Number	Amount
827	1,104.24	17	14,136.02	8	1,730.91	836	13,509.35

\* Being the amount transferred during the year to existing P.D. Accounts.

As per the codal provisions the balances in the PD accounts are to be reconciled by the Administrators with that of Treasury Accounts.

During 2017-18, an amount of ₹14,136 crore was deposited to Personal Deposit (PD) Accounts under the Public Account with a closing balance of ₹13,509 crore which are maintained by the 836 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. The Personal Deposit Account of Odisha Mineral Bearing Areas Development Corporation (OMBADC) opened during 2017-18 is about 85 per cent with an amount of ₹11,568 crore for giving effect to a Supreme Court Judgment. The balance amount ₹1,941 crore relates to periods more than one year.

### 8.3 Investments

Details of Government's investment in the equity and share capital of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions are depicted in the Statement No. 8 and 19. As on 31 March 2018, total investment of the State Government in 147 entities was ₹4,974.21 crore. Due to non-finalisation of the liquidation process, Government Companies (50) & Joint Stock Companies (22) i.e., 72 out of 147 entities became defunct for a period ranging from 5 to 47 years. The number of defunct companies has remained constant for more than five years. Government investment of ₹68.52 crore remained un-recovered and un-productive.

### 8.4 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 2018, only 20 Departments have implemented the Cash Management System. Even in respect of these 20 departments, 10 departments exceeded the limits stipulated for March and 5 departments exceeded the limits stipulated for the last quarter as furnished below:

Department-wise Statement of Expenditure covered under CMS during 2017-18							
(₹ in crore)							
Sl. No	Grant No.	Name of the Department	Budget Provision (B.E)	Expenditure during March 2017	Expenditure during Last Quarter 2016-17	Percentage of expenditure during March 2017	Percentage of expenditure during last quarter
1	7	Works	4,972.43	892.68	1,720.82	17.95	34.61
2	9	Food Supplies & Consumer Welfare	1,006.72	146.18	360.44	14.52	35.80
3	10	School and Mass Education	13,897.23	2,716.49	4,472.19	19.55	32.18
4	11	Schedule Tribes and Schedule Caste Development, Minorities and Backward Classes Welfare	2,950.37	910.42	1,323.00	30.86	44.84
5	12	Health and Family Welfare	5,712.33	854.98	1,692.57	14.97	29.63
6	13	Housing and Urban Development	4,492.31	1,085.44	2,244.70	24.16	49.97
7	17	Panchayati Raj	8,782.83	742.81	2,146.75	8.46	24.44
8	19	Industries	279.69	23.82	167.69	8.52	59.96
9	20	Water Resources	9,224.88	1,496.04	3,116.88	16.22	33.79
10	22	Forest and Environment	747.16	122.59	250.17	16.41	33.48

Department-wise Statement of Expenditure covered under CMS during 2017-18							
							(₹ in crore)
Sl. No	Grant No.	Name of the Department	Budget Provision (B.E)	Expenditure during March 2017	Expenditure during Last Quarter 2016-17	Percentage of expenditure during March 2017	Percentage of expenditure during last quarter
11	23	Agriculture and Farmer's Empowerment	4,123.36	377.25	1,079.18	9.15	36.17
12	28	Rural Development	7,374.15	1,367.19	2,834.10	18.54	18.43
13	30	Energy	1,740.66	468.81	1,086.50	26.93	62.42
14	31	Handlooms, Textiles and Handicrafts	203.43	29.39	56.88	14.45	27.96
15	33	Fisheries and Animal Resources Development	782.24	95.59	204.29	12.22	26.12
16	36	Women and Child Development	2,883.08	387.27	727.20	13.43	25.22
17	38	Higher Education	2,094.72	405.89	702.58	19.38	33.54
18	39	Skill Development and Technical Education	804.84	71.40	220.23	8.87	27.36
19	40	Micro, Small and Medium Enterprises	149.52	37.55	62.14	25.11	41.56
20	41	Social Security & Empowerment of Persons with Disability	2,007.72	226.49	660.65	11.28	32.91

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

## 8.5 Status of Reserve Funds

Details of Reserve Funds are available in the Statement No. 21 and 22 of the Finance Accounts, Vol-II. Some of the major Reserve Funds are detailed below:

### 8.5.1 Consolidated Sinking Fund

In terms of the recommendations of the 12th Finance Commission, all States should set up sinking funds for amortisation of all loans, including loans from banks, liabilities on account of National Small Savings Fund etc. The Fund should be maintained outside the Consolidated Fund of the State and the Public Account and should not be used for any other purpose, except for redemption of loans. As per the revised scheme (notified by the Government of Odisha on 3/09/2011), the State Government may contribute to the fund on a modest scale at least 0.5 per cent of the outstanding liabilities at the end of the previous year. During the year, the State Government has not made any contribution towards the fund against the minimum contribution of ₹358.12 crore (0.5 per cent of outstanding liabilities of ₹71,623.22 crore). As on 31 March 2018, an amount of ₹5,042.83 crore was lying in the Fund and the total amount has been invested in Government Stock by Reserve Bank of India.

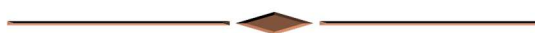
### 8.5.2 Guarantee Redemption Fund

The State Government constituted a Guarantee Redemption Fund in the year 2002-03, with the objective of meeting the payment obligations arising out of default in debt servicing of loans guaranteed by the Government. The Government is required to contribute an amount of at least 1/5th of the outstanding invoked guarantees, plus the amount of guarantees likely to be invoked, as a result of the incremental guarantees issued during the year.

The Government has not made any contribution to the Fund during the year 2017-18. As on 31 March 2018, the balance available in the Fund is ₹480 crore. The balance in the Fund has been invested in the Government of India Securities by R.B.I., Nagpur. However, during the year, the amount of invoked guarantees was Nil.

### 8.5.3 State Disaster Response Fund

The State Disaster Response Fund was created in 2010-11 as per Section 48 (1) of the Disaster Management Act 2005 and in terms of the recommendation of the 13<sup>th</sup> Finance Commission. In terms of the guidelines, the Centre and State Government are required to contribute to the fund in proportion of 75:25. During the year 2017-18, the Centre contributed ₹618.00 crore and the State Government contributed ₹206.00 crore to SDRF. The State Government has invested an amount of ₹ 2,954.95 crore during the year 2017-18 in 91 days Treasury Bill and received interest of ₹45.05 crore. The balance in the Fund as on 31 March 2018 is ₹ 1,363.76 crore which has not been invested.







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