



**Report of the
Comptroller and Auditor General of India
on
State Finances
for the year ended March 2013**



Government of Odisha

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Preface

1. This Report has been prepared for submission to the Governor of Odisha under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2013. Information has been obtained from the Government of Odisha, wherever necessary.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the year.
4. Report containing the findings of Performance Audit, Compliance Audit of Transactions etc. in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.



EXECUTIVE SUMMARY

Executive Summary

Background

This Report on the Finances of the Government of Odisha is being brought out with a view to assess objectively the financial performance of the State during 2012-13 and to provide the State Government and State Legislature with timely inputs based on audit analysis of financial data. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged by the State Government in the Fiscal Responsibilities and Budget Management (FRBM) Amendment Act 2011 under Mid Term Fiscal Plan (MTFP), in the Budget Estimates of 2012-13, and norms recommended by the Thirteenth Finance Commission (ThFC).

The Report

Based on the audited accounts of the State Government for the year ending March 2013, this Report provides an analytical review of the Annual Accounts of the State Government. The financial performance of the State has been assessed based on the FRBM Act, budget documents, ThFC recommendations and other financial data obtained from various Government departments and organisations. The Report is structured in three chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of Odisha Government's fiscal position as of 31 March 2013. It provides an insight into trends in committed expenditure, borrowing pattern besides a brief account of central funds transferred directly to the State implementing agencies through off-budget route and resources generated through public private partnership mode.

Chapter II is based on audit of Appropriation Accounts and it gives the grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments. Besides, comments arising out of audit of budgetary process and budget assumptions and outcome of inspection of treasuries have also been made in chapter-II.

Chapter III is an inventory of Government's compliance with various reporting requirements and financial rules. The Report also has an appendage of additional data collected from several sources in support of the findings.

Appendix 4.1 at the end gives a glossary of selected terms related to State economy, as used in this Report.

Audit findings and recommendations

Amendment to the State FRBM Act: In accordance with the ThFC recommendations the State Government amended (February 2012) the FRBM Act incorporating therein the continuation of the already achieved zero revenue deficit, setting a target of three *per cent* of fiscal deficit and review of compliance to provisions of FRBM Act through an independent agency as required by the ThFC.

However, disclosures like projection of Revenue consequences of Capital Expenditure (RCCE) in the MTFP, Public Private Partnerships (PPPs) and related liabilities and bringing out statements on physical and financial assets and vacant public land and building were not included as recommended by ThFC to be featured under MTFP.

Oversight over funds transferred directly from the GoI to the State implementing agencies: GoI directly transferred substantial amount of Grants-in-aid to the State implementing agencies for implementation of different schemes in the State. Funds flowing directly to the implementing agencies through off-budget route inhibit FRBM Act requirements of transparency and escape accountability. There is no single agency monitoring the use of these funds and no data is readily available on the amounts spent in major flagship and other important schemes. Unless uniform accounting practices are followed by all these agencies and there is proper documentation and timely reporting of expenditure, it will be difficult to monitor the end use of these direct transfers. The State Government has to put in place an appropriate mechanism to ensure proper accounting of these funds.

Revenue Receipts: Though Revenue Receipts showed progressive increase from ₹ 24610 crore in 2008-09 to ₹ 43937 crore in 2012-13 registering a growth of 79 *per cent*, yet the annual growth rate has come down sharply to 9.11 *per cent* during 2012-13 from 21 *per cent* in 2011-12. Government may mobilise additional resources through Tax and Non-Tax Revenue by expanding the tax base.

Revenue Expenditure: Revenue Expenditure had a predominant share of 84 *per cent* of total expenditure in 2008-09 which increased to 87 *per cent* in 2012-13. However, it increased by 10 *per cent* from ₹ 34660 crore in 2011-12 to ₹ 38238 crore in 2012-13 in absolute terms. Non-Plan Revenue Expenditure (NPRE) as a proportion of Revenue Expenditure, increased from ₹ 15882 crore in 2008-09 to ₹ 26645 crore (70 *per cent*) in 2012-13 and exceeded the ThFC's normative assessment (₹ 22752 crore) by ₹ 3893 crore. The increase in NPRE during the current year was mainly on Education, Sports, Art and Culture (₹ 313 crore), Agriculture and Allied Services (₹ 298 crore), Transport (₹ 256 crore) and Welfare of SC, ST and OBC (₹ 167 crore). The expenditure on subsidies increased from ₹ 743 crore in 2008-09 to ₹ 1951 crore (over 163 *per cent*) in 2012-13 which included food subsidy of ₹ 1190 crore.

Return to fiscal correction

Fiscal position of the State viewed in terms of trends in deficit/surplus indicators revealed that in 2012-13, while revenue surplus and primary surplus increased, fiscal deficit of previous year turned into fiscal surplus pointing towards the continuing effort of the State Government towards a path of fiscal correction and consolidation. Revenue surplus increased to ₹ 5699 crore during 2012-13 from ₹ 5607 crore in 2011-12. Primary surplus decreased from ₹ 3198 crore in 2011-12 to ₹ 2810 crore in 2012-13.

Greater priority to capital expenditure: The Capital Expenditure (CE) increased by 25 *per cent* over the previous year. The CE was 2.17 *per cent* of GSDP as against State Government's projection of 2.72 *per cent* for 2012-13 and less than the budget estimates. Government may consider strengthening State's infrastructure for absorbing higher level of Capital Expenditure for asset formation and sustainable development of the State.

Review of Government investments: As of 31 March 2013, Government had invested ₹ 2964.28 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives. Average return on this investment was 11.94 *per cent* in the last five years (19.04 *per cent* during 2012-13) while Government paid an average interest rate of 6.54 *per cent* to 7.63 *per cent* on its borrowings during 2008-09 to 2012-2013.

Debt sustainability: Currently the State Government is not facing any debt crisis because there was fiscal surplus of 0.01 *per cent* of GSDP, which is well within the ThFC projections of fiscal deficit of three *per cent* and most of the indicators of debt sustainability are also positive. The trends in debt sustainability revealed that the incremental non-debt receipts of the State had been able to meet the incremental interest liabilities and incremental primary expenditure during the period 2009-12. However, it turned into negative of ₹ 619 crore during 2012-13 indicating non-sustainability of debt which needs to be addressed.

Financial Management and Budgetary Control

During 2012-13, there was overall saving of ₹ 9335.72 crore. The savings were mainly due to non implementation of schemes, less requirement of funds etc. This included huge savings of ₹ 5358.49 crore in six cases under five grants and one appropriation exceeding ₹ 100 crore in each case.

There were instances of savings exceeding ₹ 10 crore in 19 cases relating to 16 grants and one appropriation during 2008-13. There were instances of persistent savings, excess expenditure and expenditure without provision of funds, unnecessary/excessive supplementary provision, substantial surrenders, non-surrender of anticipated savings during the current year and instances of rush of expenditure during the last month of the financial year. Budgetary controls should be strictly observed to avoid such deficiencies in financial management. Last minute fund releases and issue of re-appropriation should be avoided.

Financial reporting

State Government's compliance with various rules, procedures and directives relating to utilisation of funds was unsatisfactory as evident from delays in furnishing Utilisation Certificates (UCs) against the grants from various grantee institutions and issue of inaccurate UCs. This was mainly due to non adherence to the existing instructions for watching timely receipt of UCs.

Information on financial assistance given to various institutions / authorities by different departments of the State Government have not been furnished to Audit as required under the provisions of Audit and Accounts Regulations 2007 and State Government rules.

As of August 2013, accounts of 19 bodies/authorities were not received in the office of the Accountant General (G&SSA), Odisha, though entrustment of Audit of those bodies / authorities was made to the Comptroller and Auditor General of India.

Delays were also noticed in submission of annual accounts by the departmentally managed commercial undertakings.

Cases of misappropriation, losses and defalcations were pending for settlement for long in many of the departments of State Government despite the same being pointed out regularly in earlier Audit Reports. Departmental enquiries in such cases should be expedited. Internal controls in all the organisations should be strengthened to prevent occurrence of such cases in future.

The Chief Controlling Officers did not submit Detailed Contingent Bills against the advances drawn on Abstract Contingent (AC) Bills of ₹ 52.96 crore for up to nine years as of 31 March 2013. A rigorous monitoring mechanism needs to be put in place by the Drawing and Disbursing Officers (DDOs) to adjust AC Bills in time and not to advance further amounts without adjustment of earlier advances.

A large amount of unspent balance (₹ 795 crore) was lying in 889 Personal Deposit (PD) Accounts and were not credited back to Government Account. An Amount of ₹ 2.53 crore remained unspent for last three years ending March 2012 in respect of 142 schemes and 82 miscellaneous activities operated by 21 Personal Ledger Account Administrators coming under the jurisdiction of eight District Treasuries/Sub-treasuries.

CHAPTER-I

FINANCES OF THE STATE GOVERNMENT

Profile of the State

The State is located on the east coast of the country. It is the ninth largest State in terms of geographical area (155707sq.km) and the 11th largest by population. The State's population increased from 3.68 crore in 2001 to 4.19 crore in 2011 (provisional figures), recording a decadal growth of 14 *per cent* as indicated in **Appendix 1.1**. The percentage of population below the poverty line was more than the all-India average. The State's Gross State Domestic Product (GSDP) in 2012-13 at current prices was ₹ 258744 crore. The State's literacy rate increased from 63 *per cent* (as per 2001 census) to 73 *per cent* (as per 2011 census). Per capita income of the State stands at ₹ 49489 against the all India average of ₹ 68757. General data relating to the State is given in **Appendix 1.1**.

Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important economic indicator of the State Economy, as it depicts the increase in total value of production activities in the State. The trends in the annual growth of India's GSDP at current prices are indicated below:

Annual growth rate of GDP and GSDP (at current price).

year	2008-09(R)	2009-10(R)	2010-11(P)	2011-12(Q)	2012-13(A)
India's Gross Domestic Product (GDP) (₹ in crore)	5303567	6108903	7266967	8353495	9461013
Growth rate of GDP (percentage)	12.90	15.18	18.96	14.95	13.25
State's GSDP (₹ in crore)	148491	162946	194465	215899	258744
Growth rate of GSDP (percentage)	14.86	9.74	19.34	11.02	19.84

R- Revised, P-Provisional, Q-Quick and A-Advanced

The GSDP of the State increased from ₹ 215899 crore during 2011-12 to ₹ 258744 crore during 2012-13, thereby registered a growth of 19.84 *per cent* over the previous year, where as there is a decline in the growth rate of National GDP during the current year over the previous year.

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of Odisha during 2012-13 and analyses critical changes in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during last five years.

The abbreviations used in this report have been expanded in the *Glossary of terms (and basis of calculation) and Acronyms used in the Report* at **Appendix – 4.1** at page **143**.

The structure of Government Accounts and the layout of Finance Accounts are given at the *Appendix 1.2*.

1.2 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2012-13) vis-à-vis the previous year, *Appendix 1.3* shows the overall fiscal position of the State and *Appendix 1.4* shows details of receipts and disbursements during the current year.

Table 1.1: Summary of Current Years fiscal operations

(₹ in crore)

Receipt			Disbursement				
	2011-12	2012-13		2011-12	2012-13		
Section A	Total	Total	Section A	Total	Non-Plan	Plan	Total
Revenue Receipts*	40267.02	43936.91	Revenue Expenditure	34660.23	26645.23	11592.32	38237.55
Tax Revenue	13442.74	15034.13	General Services	10928.58	12343.82	79.44	12423.26
Non-Tax Revenue	6442.96	8078.03	Social Services	14338.07	8347.09	6629.47	14976.56
Share of Union Taxes/ Duties	12229.13	13965.01	Economic Services	8732.47	5312.82	4883.42	10196.24
Grants from Government of India	8152.19	6859.74	Grants-in-aid and Contributions	661.11	641.49	---	641.49
Section B			Section B				
Miscellaneous Capital Receipts	---	---	Capital Outlay	4496.09	18.66	5603.52	5622.18
Recoveries of Loans and Advances	132.08	142.47	Loans and Advances Disbursed	621.01	75.04	140.98	216.02
Public Debt ** Receipts	1353.76	1879.55	Repayment of Public Debt**	2327.76	---	---	3179.86
Contingency Fund	375.00	15.89	Contingency Fund	2.81	---	---	----
Public Account Receipts	15486.73	27545.35	Public Account Disbursement	14022.62	---	---	24886.31
Opening Cash Balance	10004.87	11488.94	Closing Cash Balance	11488.94	---	---	12867.19
TOTAL	67619.46	85009.11	TOTAL	67619.46			85009.11

Source: Finance Accounts for the respective years

The following are the significant changes during 2012-13, compared to the previous year:

- Revenue Receipts of the State increased by ₹ 3670 crore (nine *per cent*) over the previous year. This increase was mainly contributed by State's own Tax Revenue (₹ 1591 crore), own Non-Tax Revenue (₹ 1635 crore) State's share of Union Taxes/Duties (₹ 1736 crore) and set-off by decrease in Grants-in-aid from Government of India (₹ 1292 crore).
- Revenue Expenditure increased by ₹ 3577 crore (10 *per cent*) during 2012-13 over the previous year mainly due to increase in expenditure in General Services Sector (₹ 1495 crore), Economic Service Sector (₹ 1464 crore), Social Service Sector (₹ 638 crore) and set off by decrease in disbursement of grant-in- aid and contributions (₹ 19 crore).
- Capital outlay increased by ₹ 1126 crore (25 *per cent*) over the previous year, mainly on account of increase in expenditure on Transport (₹ 295 crore), Irrigation and Flood control (₹ 256 crore), Welfare of Scheduled Castes,

* does not include ₹ 3892.33 crore transferred directly to Non-Government Organisations (NGOs) / Voluntary Organisations in Odisha by Government of India (GoI).

** excluding net transactions under Ways and Means advances and overdrafts.

Scheduled Tribes and Other Backward Classes (₹ 180 crore), Water Supplies, Sanitation and Housing and Urban Development (₹ 173 crore) and Energy (₹ 106 crore). Disbursement of Loans and advances decreased substantially by ₹ 405 crore (65 per cent) from ₹ 621 crore in 2011-12 to ₹ 216 crore in 2012-13.

- Public Debt receipts increased by ₹ 526 crore (39 per cent) while repayment of public debt increased by ₹ 852 crore (37 per cent).
- Public Account receipts (₹ 27545 crore) increased by ₹ 12058 crore (78 per cent) over the previous year mainly due to increase in Suspense and Miscellaneous (₹ 8560 crore), Deposits and Advances (₹ 2411 crore), Remittances (₹ 1301 crore) and Small Savings and Provident Fund (₹ 509 crore) which was mainly set off by decrease in Reserve Fund (₹ 722 crore). Public Account disbursements (₹ 24886 crore) on the other hand increased by ₹ 10864 crore (77 per cent) during the same period mainly due to increase under Suspense and Miscellaneous (₹ 8579 crore), Remittances (₹ 1305 crore), and Small Savings and Provident Fund (₹ 244 crore).
- Cash Balance of the State increased by ₹ 1378 crore and reflected in increase in Cash Balance Investment by ₹ 959 crore and deposit with Reserve Bank of India by ₹ 441 crore, set off by decrease in Departmental Cash Balance by ₹ 22 crore.

1.2.1 Review of the fiscal situation

The Thirteenth Finance Commission (ThFC) recommended that every State needs to amend Fiscal Responsibility and Budget Management (FRBM) Act and work out a fiscal reform path to make credible progress towards fiscal consolidation. Keeping in line with the recommendations of the ThFC, the State Government obtained amendment (February, 2012) to the State FRBM Act, 2005 which laid down the following fiscal targets:

- Revenue deficit during 2011-12 and onwards to be maintained at Zero.
- Fiscal deficit to be contained within three per cent of the Gross State Domestic Product (GSDP) from 2011-12 and onwards.
- In order to bring the debt stock to a sustainable level, interest payment as a percentage to Revenue Receipt to be limited to 15 per cent.
- For the purpose of ensuring compliance to the provisions of the FRBM Act, the State Government shall entrust an agency independent of State Government who shall periodically make review of such compliance and submit reports thereof to the State Government for laying the same before the State Legislature

However, disclosures such as projection of Revenue consequences of Capital Expenditure (RCCE), Public-Private Partnerships (PPPs) and related liabilities, statements on physical and financial assets and vacant public land and buildings were not included in the Mid Term Fiscal Plan (MTFP), even though recommended by ThFC.

The State has achieved the targets for Revenue, fiscal deficits, level of debt stock and

interest payment, as laid down by ThFC/FRBM Act for the year 2012-13.

1.2.2 Budget Estimates and Actuals

Budget papers presented by the State Government provide estimation of Revenue and expenditure for a particular financial year. The importance of accuracy in estimation of Revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from Budget Estimates are indicative of non-attainment and non-optimisation of desired fiscal objectives. Compared to the Budget Estimates for 2012-13, there was considerable variation in actuals in the case of several key fiscal parameters. **Chart 1.1 and Table 1.2** present the Budget Estimates and actuals for some important parameters.

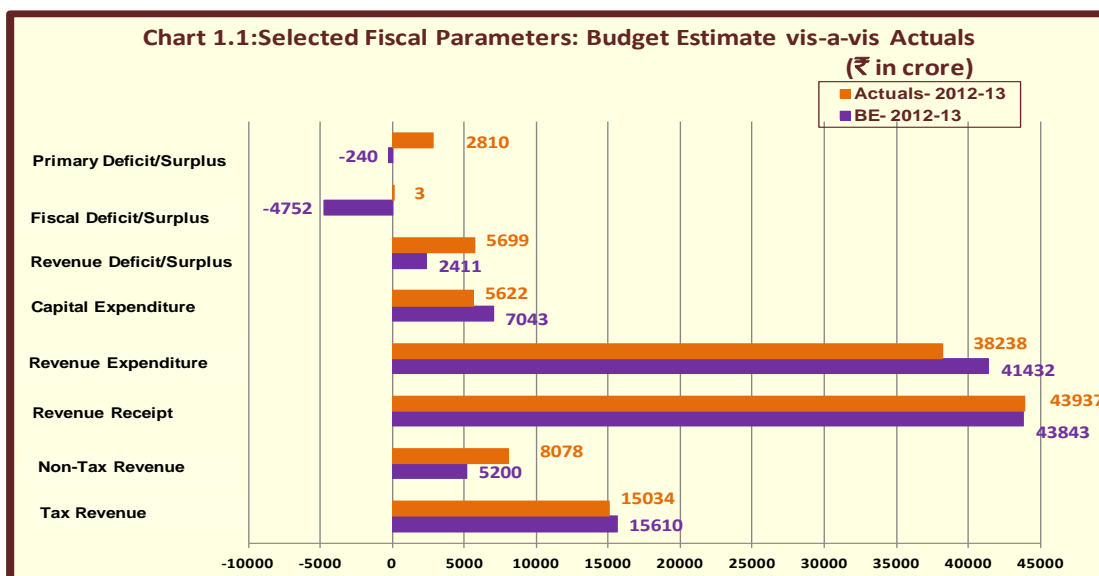


Table 1.2: Variation in Budget Estimates and Actuals

Variation	Budget Estimates	Actual	Increase (+) / Decrease (-)
	(₹ in crore)		
Tax Revenue	15610	15034	(-)576
Non-Tax Revenue	5200	8078	(+)2878
Revenue Receipts	43843	43937	(+)94
Revenue Expenditure	41432	38238	(-)3194
Capital Expenditure	7043	5622	(-)1421
Revenue Deficit(-)/Surplus(+)	2411	5699	(+)3288
Fiscal Deficit(-)/Surplus(+)	-4752	3	(+)4755
Primary Deficit(-) /Surplus (+)	-240	2810	(+)3050

Source: Odisha Budget at a Glance 2013-14 and Finance Accounts 2012-13.

As may be observed from **Chart 1.1**, the State's actual Revenue Receipts were marginally more than the Budget Estimates by ₹ 94 crore. The State's own Tax Revenue was less than the Budget Estimates by ₹ 576 crore (four per cent) while Non-Tax Revenue was more than the Budget Estimates by ₹ 2878 crore (55 per cent). As a result, while the estimated Revenue surplus was only ₹ 2411 crore, the actual Revenue surplus was ₹ 5699 crore. Revenue Expenditure and Capital Expenditure

were less than the Budget Estimate by ₹ 3194 crore (eight *per cent*) and ₹ 1421 crore (20 *per cent*) respectively. Asset creation was not given as much priority as intended in the Budget Estimates, as the actual Capital Expenditure was 20 *per cent* lesser than the Budget Estimate. This shortfall in Capital Expenditure as compared to Budget Estimate is not a good sign in a developing State with poor infrastructural levels. Due to the Revenue surplus being higher than budgeted and Revenue and Capital Expenditure being lower than budgeted, estimated/budgeted fiscal deficit of ₹ 4752 crore and primary deficit of ₹ 240 crore turned into fiscal surplus and primary surplus of ₹ three crore and ₹ 2810 crore respectively.

1.2.3 Major policy initiatives in the budget

Government announced some policy initiatives in its Budget 2012-13 like construction of police training institutes, hostels for SC/ST students, digitization of Ration Cards etc. Status of implementation of some of the major policy initiatives are given in **Table 1.3** below:

Table 1.3: Major policy announcement in the Budget and implementation thereof

Sl No	Department	Policy announcement details	Status of Implementation
1	Home Department	A sum of ₹ 17.50 crore was allocated under the Finance Commission Grants towards construction of 3 police Training Institutes.	Out of total Budgeted provision, ₹ 4.31 crore was released by the end of February 2013 to executing agency, OPH & WC. Construction work at Bayree is continuing in full swing. Construction work at the other two places are yet to start.
2	General Administration Department	A sum of ₹ six crore out of the State Plan was earmarked for development of air-strips and construction of a new air-strip at Malkangiri during the year 2012-13.	Due to land acquisition problems, it was not possible to construct new air-strips during the financial year 2012-13. Hence the proposal is deferred.
3	ST&SC Development Department	A sum of ₹ 226.00 crore was provided for completion of 1464 hostels for SC/ST students.	₹ 222.75 crore was sanctioned and released in favour of Project Administrator, Integrated Tribal Development Agency and Project Director, District Rural Development Agency for completion of 1464 Hostels. As of December 2012, 122 hostels had been completed, works for 1302 hostels were in progress while works for 40 hostels was yet to be started.
4	Food Supplies & Consumer Welfare Department	A sum of ₹ nine crore was allocated for digitization of Ration Cards which will prevent use of fake Ration Cards and ensure benefits of PDS to reach genuine consumers.	Digitization process has been started in Bolangir Block on a pilot basis.
5	Higher Education Department	Government of Odisha provided ₹ 18.60 crore as a State share in the CSP scheme for opening of Govt. Colleges in districts with low Gross Enrolment Ratio.	The State share of ₹ 18.60 crore provided in the CSP scheme could not be utilized as Govt. of India declined to release the matching share since the scheme was not included for funding in the 12 th Plan (2012-17). The proposal is deferred.
6	Employment & Technical Education and Training Department	In order to provide placement linked skill training to one million youths during the Twelfth Five Year Plan, ₹ 50 crore has been provided to Employment Mission	By the end of February 2013, funds to the extent of ₹ 24.95 crore were released by the Planning & Co-ordination Department, out of which ₹ 15.09 crore was utilized.
7	Employment & Technical Education and Training Department	An amount of ₹ four crore was provided in the Budget under State Plan towards establishment of Xavier's Institution of management(XIMB) at Sambalpur and Bolangir	The proposal was deferred due to non-receipt of affiliation from AICTE.

Source: Budget at a glance 2013-14, Government of Odisha.

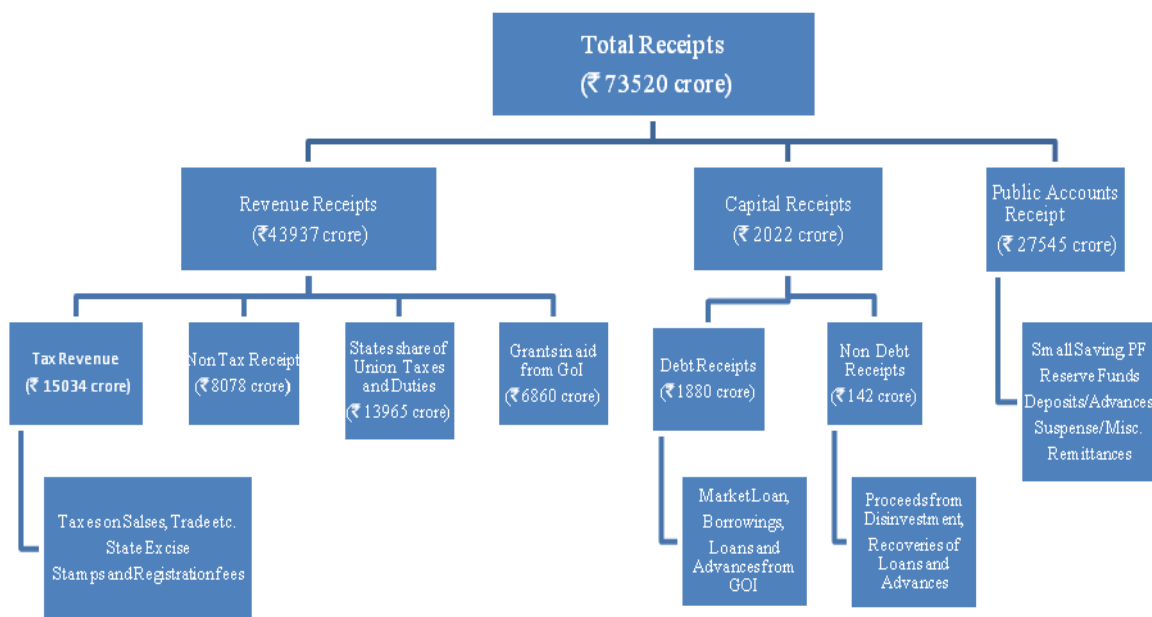
1.3 Resources of the State

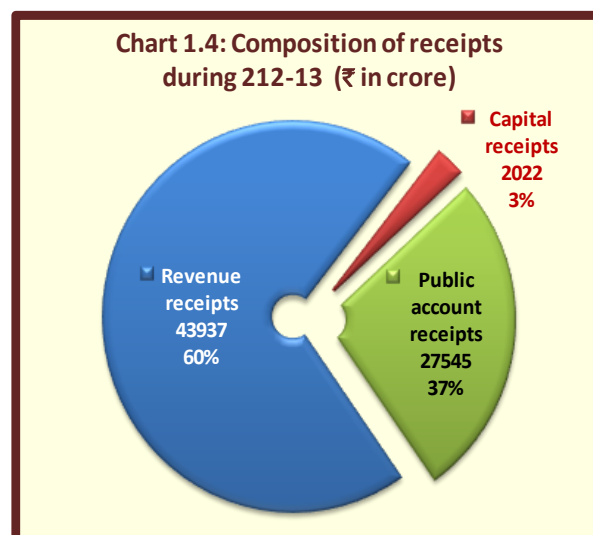
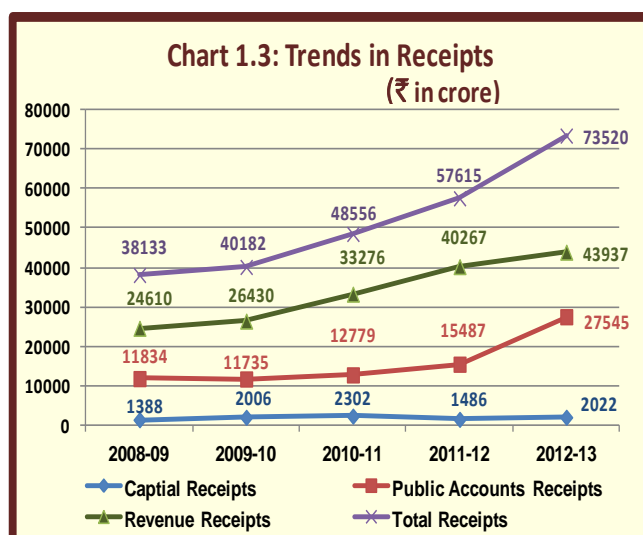
1.3.1 Resources of the State as per Finance Accounts

The progress of Government programmes depend on its resources and determines the expenditure threshold of the Government. Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue Receipts consist of Tax Revenues, Non-Tax Revenues, State’s share of Union Taxes and Duties and Grants-in-aid from GoI. Total Capital Receipts comprises, Capital Receipts such as miscellaneous Capital Receipts from disinvestments, and other receipts are recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI as well as accruals from Public Account.

Table 1.1 and **Chart 1.2** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.3** depicts the trends in various components of the receipts of the State during 2008-13. **Chart 1.4** depicts the composition of receipts of the State during the current year.

Chart 1.2: Components and sub-components of Resources





During 2008-2013, total receipts increased by 93 per cent from ₹ 38133 crore in 2008-09 to ₹ 73520 crore in 2012-13, of which increase of Revenue Receipts was by 79 per cent from ₹ 24610 crore to ₹ 43937 crore during the period due to higher collection of State's own taxes as well as increases in central tax transfers and Grants-in-aid from GoI. The share of Revenue Receipts as percentage of total receipts decreased from 65 per cent in 2008-09 to 60 per cent in 2012-13. The share of Capital Receipts also decreased from four per cent in 2008-09 to three per cent in 2012-13. The percentage share of Public Account receipts to the total receipts increased from 31 per cent in 2008-09 to 37 per cent in 2012-13.

1.3.2 Funds transferred to State implementing agencies outside the State Budget

Government of India has been transferring a sizeable quantum of funds directly to State implementing agencies¹ for implementation of various schemes/ programmes in social and economic sectors, which are recognized as critical. As these funds were not routed through the State budget/ State treasury system, Finance Accounts did not capture the flow of these funds and to that extent State's receipts and expenditure as well as other fiscal variables/ parameters thereto could not be ensured. However, an appendix giving details of funds transferred directly to State implementing agencies outside State budget is included in Finance Accounts by capturing data from the website of the Controller General of Accounts.

During the year 2012-13 central fund of ₹ 3892.33 crore were transferred directly to the State implementing agencies. The programmes assisted by GoI whose funds were, thus, transferred are given in **Appendix-1.5**. Details in respect of some of the major transfer are furnished in **Table 1.4**.

¹ State implementing agencies include any organization/institution including Non-Government organization which is authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State.

Table 1.4: Funds transferred directly to the State implementing agencies for major plan Schemes

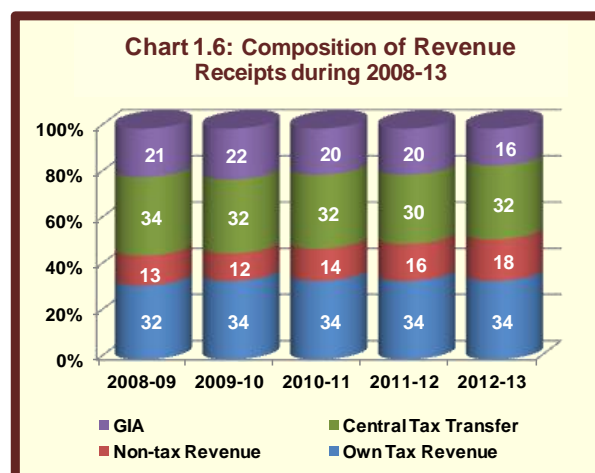
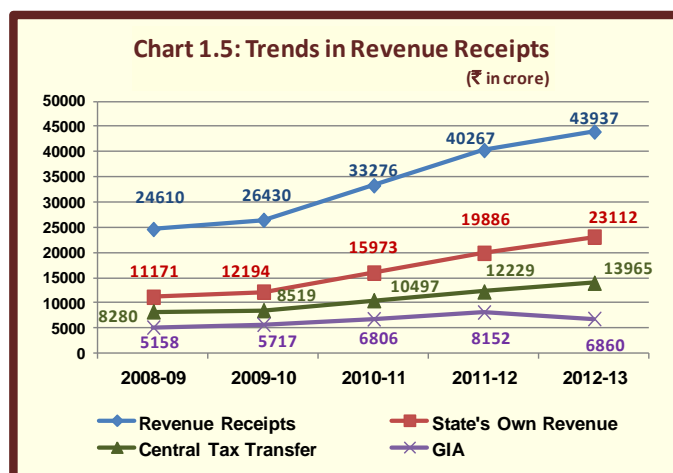
Sl. No	Government of India Scheme	Government of India release (₹ in crore)		
		2010-11	2011-12	2012-13
1	Accelerated Rural Water Supply Programme	294.76	171.05	246.53
2	Integrated Watershed Management Programme	123.59	114.67	101.27
3	National Rural Employment Guarantee Scheme	1561.86	978.22	847.98
4	Pradhan Mantri Gram Sadak Yojana Programme Component	2046.10	1969.95	87.25
5	Rural Housing (IAY)	450.08	629.99	458.65
6	Sarva Shiksha Abhiyan	731.78	927.20	1043.08
7	Swaranjayanti Gram Swarozgar Yojana	122.91	125.48	123.79

Considering that the quantum of direct transfers are significant (nine *per cent* of State's Revenue Receipts), it is imperative that the end use of this fund is monitored in a timely and efficacious manner by both the GoI and State Governments so that the intended outcomes are actually realised economically and efficiently. Further, funds flowing directly to the implementing agencies through off-budget route inhibit FRBM Act requirements of transparency and escape accountability. There is no single agency monitoring the use of these funds and no data is readily available on the amounts spent under these schemes. The State Government has to put in place an appropriate mechanism to ensure proper accounting of these funds.

The Government stated (November 2013) that the State Government is in the process of integration of Central Plan Schemes Monitoring System (CPSMS) with Integrated Odisha Treasury Management System (iOTMS) to capture the flow of State share and Central share to strengthen monitoring of end use of expenditure. The reply is not tenable as the status of capturing the funds flow to implementing agencies remained same to previous year despite the commitments made by the Government in November 2012 to register district and sub-district level implementing agencies of five major flagship schemes under CPSMS.

1.4 Revenue Receipts

Revenue Receipts consist of State Government's own tax and Non-Tax Revenues, central tax transfers and Grants-in-aid from GoI. Statement 11 of the Finance Accounts depicts the Revenue Receipts of the Government. The State's share in central taxes and Grants-in-aid is determined on the basis of recommendation of the Finance Commission. Collection of central tax receipts and central assistance for plan schemes etc is also determined on the basis of recommendation of Finance Commission. The trends and composition of Revenue Receipts over the period 2008-13 are shown in *Appendix 1.3* and also depicted in **Chart 1.5** and **1.6** respectively.



On an average, 48 per cent of Revenue came from State's own resources and the balance was from GoI in the form of State's share of taxes and Grants-in-aid. An increase of ₹ 1591 crore (12 per cent) in own Tax Revenue, ₹ 1635 crore (25 per cent) in Non-Tax Revenue and ₹ 1736 crore (14 per cent) in State's share in Union taxes and duties set off by decrease of ₹ 1292 crore (16 per cent) in Grants-in-aid resulted in increase of ₹ 3670 crore (nine per cent) in Revenue Receipts during 2012-13 over the previous year.

Although Revenue Receipts showed progressive increase from ₹ 24610 crore in 2008-09 to ₹ 43937 crore in 2012-13 registering a growth of 79 per cent, the annual growth rate has come down sharply to nine per cent during 2012-13 from 21 per cent in 2011-12. The trends in Revenue Receipts relative to GSDP are presented in **Table 1.5** below:

Table 1.5: Trends in Revenue Receipts relative to GSDP

	2008-09	2009-10	2010-11	2011-12	2012-13
Gross State Domestic Product (GSDP) (₹ in crore)	148491	162946	194465(P)	215899(Q)	258744(A)
Rate of growth of GSDP	14.86	9.74	19.34	11.02	19.84
Revenue Receipts (RR) (₹ in crore) *	24610	26430	33276	40267	43937
Rate of growth of RR (per cent)	12.03	7.40	25.90	21.01	9.11
R R/GSDP (per cent)	16.57	16.22	17.11	18.65	16.98
Buoyancy Ratios²					
Revenue Buoyancy with respect to GSDP	0.81	0.76	1.34	1.91	0.46
Rate of growth of own tax	16.61	12.35	24.61	20.10	11.83
State's Own Tax Buoyancy with respect to GSDP	1.12	1.27	1.27	1.82	0.60

Source: GSDP - Directorate of Economics and Statistics, Government of Odisha and Revenue Receipts – Finance Accounts of the respective years. P: Provisional, Q: Quick Estimate, A: Advance Estimate.

* Do not include GoI funds transferred to Non-Government organisations and others.

Revenue buoyancy widely fluctuated during the period due to fluctuations in the growth rate of Revenue Receipts. The lower growth rate of Revenue Receipts during 2008-09 and 2009-10 pushed the Revenue buoyancy ratio down. Revenue buoyancy ratio, which was at 0.76 in 2009-10, increased during 2010-11 and 2011-12 to 1.34

² Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, Revenue buoyancy at 0.6 implies that Revenue Receipts tend to increase by 0.6 percentage points, if the GSDP increases by one per cent.

and 1.91 but decreased to 0.46 during 2012-13, which was lowest during the last five years, due to decrease in growth rate of Revenue Receipts.

1.4.1 State's Own Resources

The State's own resources comprised Revenue Receipts from its own tax and non-tax source. The actual receipts under State's tax and Non-Tax Revenue vis-à-vis assessment made by ThFC and the State Government in MTFP is indicated in **Table 1.6** below:

Table 1.6: Mobilisation of Own Tax Revenue and Own Non Tax Revenue
(₹ in crore)

	Assessment made by ThFC	Assessment made by State Government in MTFP	Actuals
State's own Tax Revenue	13637	15610	15034
State's own Non-Tax Revenue	2620	5200	8078

The receipts under State's tax and Non-Tax Revenue during 2012-13 exceeded the assessment of ThFC by 10 per cent and 208 per cent respectively. However, the State's own Tax Revenue was less than assessment made in MTFP by ₹ 576 crore (four per cent) while Non-Tax Revenue was more by ₹ 2878 crore (55 per cent).

1.4.1.1 Tax Revenue

The sector wise components of Tax Revenue during 2008-09 to 2012-13 is shown in **Table 1.7**.

Table 1.7: Sector wise components of State's Tax Revenue

Revenue Head	2008-09	2009-10	2010-11	2011-12	2012-13	% increase in 2012-13 over previous year
Taxes on sales, trades etc.	4803	5409	6807	8197	9685	18
State excise	660	849	1094	1379	1499	9
Taxes on vehicles	524	611	728	788	746	-5
Stamp duty and Registration fees	496	360	416	498	545	9
Land Revenue	348	292	391	522	420	-19
Taxes on goods and passengers	638	815	1111	1312	1342	2
Other taxes ³	526	646	646	747	797	7
Total	7995	8982	11193	13443	15034	12

Source: Finance Accounts for the respective years

The Compound Annual Growth Rate (CAGR) of Tax Revenue for 2003-12 of the State was higher as compared to the other General Category States (**Appendix 1.1**). The Tax Revenue during the current year (₹ 15034 crore) increased by 12 per cent over the previous year (₹ 13443 crore). The Revenue through Taxes on Sales, Trade etc. (₹ 9685 crore) was the main source of State's own Tax Revenue and registered an increase of 18 per cent (over the previous year), State Excise (₹ 1499 crore) increased by nine per cent, Stamps and Registration fees (₹ 545 crore) by nine per cent and Taxes on Goods and Passengers (₹ 1342 crore) by two per cent while Taxes on

³ Other taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and agricultural income.

Vehicles (₹ 746 crore) decreased by five *per cent* and Land Revenue (₹ 420 crore) by 19 *per cent* over the previous year.

The growth rate of Own Tax Revenue (OTR) with respect to GSDP was six *per cent* in 2012-13. To achieve the target of 7.5 *per cent* by 2014-15 as projected to ThFC (Para 7.6 of the recommendations), the State Government will have to take appropriate steps to gear up their OTR.

Major increase /decrease in current year's Own Tax Revenue along with reasons are given in **Table 1.8**.

Table 1.8: Major increase /decrease in current year's Own Tax Revenue

Sl No	Major Heads of Account	Increase (₹ in crore)	Main Reasons*
1	0030 – Stamps and Registration Fees	46.74	Due to increase in receipts in sale proceeds of judicial impress Stamps and fees for registration of documents.
2	0039 – State Excise	119.64	Due to more receipts in excise duty on country spirit, excise on foreign liquor, License fee.
3	0040 – Taxes on Sales, Trades etc.	1487.83	Due to more receipts under Odisha Value Added Tax Act, 2004 and Tax collection under Central Sale Tax.
4	0050 – Dividends and Profits	278.30	Due to more receipt of dividends from Odisha Mining Corporations.
5	0853 – Non-ferrous Mining and Metallurgical Industries	1124.13	Due to increase in collection of fees and rents and royalties.
Sl No	Major Heads of Account	Decrease (₹ in crore)	Main Reasons
6	0029 - Land Revenue	101.26	Due to less receipt in Land Revenue and Taxes.
7	0041 - Taxes on Vehicles	41.80	Due to less receipt on motor vehicle tax & National Permit Scheme and Gross receipt on motor vehicle taxes.

Source: *Reasons as per Finance Accounts 2012-13, Government of Odisha.

1.4.1.2 Cost of collection

The gross collection of taxes on vehicles, taxes on sales, trade etc., stamp duty and registration fees and State excise, expenditure incurred on their collection and its percentage to gross collection during the years 2010-13 along with their all- India average cost of collection for the respective previous years are indicated in **Table 1.9**.

Table 1.9: Details of cost of collection

(₹ in crore)					
Receipt	Year	Gross collection	Expenditure on collection (₹ in crore)	Percentage of expenditure to gross collection	All India average percentage for the preceding year
Taxes on sales, Trades etc	2010-11	6806.79	73.09	1.07	0.96
	2011-12	8196.85	65.39	0.79	0.75
	2012-13	9684.68	74.35	0.77	0.83
Taxes on vehicles	2010-11	727.58	30.73	4.22	3.07
	2011-12	787.99	25.96	3.29	3.71
	2012-13	746.19	23.08	3.09	2.96
State Excise	2010-11	1094.26	36.25	3.31	3.64
	2011-12	1379.00	38.36	2.78	3.05
	2012-13	1498.64	41.76	2.78	2.98
Stamp Duty and registration fees.	2010-11	415.82	17.09	4.11	2.47
	2011-12	498.15	23.87	4.79	1.60
	2012-13	544.88	23.72	4.35	1.89

During 2012-13, while the percentage of cost of collection to the gross collection with respect to Taxes on Sales, Trades etc., Stamps and Registration fees and Taxes on

Vehicles was less than the previous year, it was same as in the previous year with respect to State excise.

It would be seen that the percentage of cost of collection of Revenue in the State during 2012-13 is less than the all-India average in two heads of Revenue i.e. tax on sales, trades etc. and State Excise, whereas, it was higher in case of taxes on Vehicles and Stamp Duty and Registration fees.

1.4.1.3 Non-Tax Revenue

The components of Non-Tax Revenue during 2008-13 are given in **Table 1.10** below:

Table 1.10: Components of State's own resources

Revenue Head	₹ in crore)					% increase over previous year
	2008-09	2009-10	2010-11	2011-12	2012-13	
Interest receipts	655	379	261	576	588	2.08
Dividends & Profits	253	251	102	286	565	97.55
Non-Ferrous Mining and Metallurgy receipts	1381	2021	3329	4572	5697	24.61
Other non-tax receipts	887	561	1088	1009	1228	21.70
Total	3176	3212	4780	6443	8078	25.38

The Compound Annual Growth Rate (CAGR) of Non-Tax Revenue for 2003-12 of the State was also higher as compared to the other general category States (*Appendix I.1*). The Own Non-Tax Revenue (ONTR) (₹ 8078 crore) which constituted 18 per cent of Revenue Receipts during 2012-13 increased by ₹ 1635 crore (25 per cent) over previous year. The increase was mainly under Non-Ferrous Mining and Metallurgy Industries (₹ 1124 crore) which includes mainly mineral concession fee, rent and royalty; Miscellaneous General Services (₹ 139 crore) and Dividends and Profits (₹ 279 crore).

1.4.2 Grants in aid from Government of India

Grants-in-aid from Government of India (GoI) increased from ₹ 5158 crore in 2008-09 to ₹ 6860 crore during 2012-13 as shown in **Table 1.11**.

Table 1.11: Grants-in –aid from Government of India

Particulars	₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Non-Plan Grants	1242	1629	2111	2561	1505
Grants for State Plan Schemes	2632	2777	3279	3853	3484
Grants for Central Plan Schemes	119	167	192	109	183
Grants for Centrally Sponsored Schemes	1165	1144	1224	1629	1688
Grants for Special Plan Schemes	---	---	---	---	---
Total	5158	5717	6806	8152	6860
Percentage of increase over previous year	11.86	10.84	19.05	19.78	(-)15.85
Total grants as a percentage of Revenue Receipts	20.96	21.63	20.45	20.24	15.61

However, the Grants-in-aid from GoI decreased by ₹ 1292 crore from ₹ 8152 crore in 2011-12 to ₹ 6860 crore in 2012-13. The decrease was under grants for Non-Plan

schemes (₹1056 crore), State Plan schemes (₹ 369 crore) set off by increase in Central Plan schemes (₹ 133 crore). Similarly, the percentage share of grants to Revenue Receipts also decreased from 20 percent in 2011-12 to 16 per cent during 2012-13.

1.4.3 Thirteenth Finance Commission Grant during 2012-13

As per recommendation of ThFC, GoI allocated ₹ 9658.76 crore under grants (both Non-Plan and Plan), to Government of Odisha for utilisation during 2010-15, of which allocation for 2012-13 was ₹ 2127.86 crore. Scrutiny of release of grant during 2012-13 revealed the following:

(i) Failure to avail Thirteenth Finance Commission Grant

As per the recommendation of ThFC, if the State fails to meet the conditions attached to grants released during a fiscal year, it will lose the performance grant for the succeeding year. It was, however, observed that the conditions in respect of (i) formation of Independent Local Body Ombudsman, (ii) certification by C&AG regarding Technical Guidance and Supervision and (iii) empowering Local Bodies to levy Property Tax, have not been fulfilled by 31 March 2012 due to which the State lost the performance grant amounting to ₹ 288.97 crore for the year 2012-13.

Further, the ThFC also recommended that grant of ₹ 46 crore for Water Sector for 2012-13 would be released only if the State set up a statutory and independent Water Regulatory Authority (WRA) by 31 March 2012. Non setting up of the WRA by 31 March 2012 led to loss of ₹ 46 crore for the year 2012-13.

(ii) Non-release of Thirteenth Finance Commission Grant of ₹ 399.42 crore

Further, though the ThFC recommended grant worth ₹ 399.42 crore in respect of following components for 2012-13 (**Table 1.12**), the State Government failed to avail the grant as it failed to comply with the conditions as detailed below:

1.12: Non-release of Thirteenth Finance Commission Grant during 2012-13

Purpose	Amount recommended by ThFC (₹ in crore)
Elementary Education	204.00
Grant for UID	35.70
Health Infrastructure	87.50
Establishment of Market yards at Block level	15.00
Employee and Pension Database	7.50
Improvement of Statistical System	6.00
Justice delivery	38.72
Capacity Building	5.00
Total	399.42

Source: Thirteenth Finance Commission's Report and Finance Accounts 2012-13 of Government of Odisha

The reasons for shortfall in release of grants were as under:

- The conditions stipulated for release of grants under Employee and Pension Data Base was that the State would create a data base and ensure that the same

would functionally integrate with the treasury on a transactional basis. As the State failed in this regard, GoI did not release grant of ₹ 7.50 crore for 2012-13.

- Grants for capacity building, justice delivery, incentive for issue of UID, Establishment of Market yards at Block level and Health Infrastructure were not released due to non-submission of Utilisation Certificate in respect of grants released during previous years.

The Government stated (November 2013) that due to non-fulfillment of conditions prescribed by ThFC, the State lost the performance grant for local bodies and water sector grant recommended for 2012-13. The State Government should take steps to fulfil required conditions prescribed by ThFC, in order to receive performance grant for the remaining ThFC Period and avail the non released grant.

Thus, in most cases, Government of Odisha lost access to the grants due to its own fault i.e. non-fulfillment of prescribed conditions for release of grants. The State Government should take expeditious steps to comply with the required conditions prescribed by the ThFC to be eligible to draw the grant. It should also monitor and pursue the release of grant as recommended by ThFC more closely so as to ensure that the grants are utilised in effective and timely manner.

1.4.4 Central Tax transfers

During 2012-13, Central tax transfers increased by ₹ 1736 crore over previous year and constituted 32 percent of Revenue Receipts. The increase was mainly under Corporation Tax (₹ 203 crore), Taxes on Income other than Corporation Tax (₹ 558 crore), Customs (₹ 200 crore) and Union Excise Duties (₹ 205 crore).

1.5 Capital Receipts, recoveries of Loans and Advances and Debt etc.

Capital Receipts comprises miscellaneous Capital Receipts, proceeds from disinvestment, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions) and loans and advances from GoI. Capital Receipts increased by ₹ 634 crore from ₹ 1388 crore in 2008-09 to ₹ 2022 crore during 2012-13 as shown in **Table 1.13**.

Table 1.13: Trends in growth and composition of Capital Receipts

(₹ in crore)

Sources of State's Receipts	2008-09	2009-10	2010-11	2011-12	2012-13
Capital Receipts (CR)	1388	2006	2302	1486	2022
Miscellaneous Capital Receipts	---	---	---	---	---
Recovery of Loans and Advances	236	356	34	132	142
Public Debt Receipts	1152	1650	2268	1354	1880
Rate of growth of debt Capital Receipts	127.22	43.23	37.45	(-)40.30	38.85
Rate of growth of non-debt Capital Receipts	(-)33.52	50.85	(-)90.45	288.24	7.58
Rate of growth of GSDP	14.86	9.74	19.34	11.02	19.84
Rate of growth of CR (per cent)	33.64	44.52	14.76	(-)35.45	36.07

Source: Finance Accounts 2012-13 of Government of Odisha

Public debt receipts, which create future repayment obligations, increased from ₹ 1152 crore to ₹ 1880 crore which is a matter of concern. However, there was a decline in the non-debt receipt from ₹ 236 crore in 2008-09 to ₹ 142 crore in 2012-13.

1.6 Public Accounts Receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund of India, are kept in the Public Account set up under Article 266(2) of the Constitution of India and are not subject to vote by the State legislature. Here the Government acts as a banker. The balance after disbursements is the amount of funds available with the Government for use.

Table 1.14: Trends in growth and composition of Public Account Receipts

(₹ in crore)

Resources under various heads	2008-09	2009-10	2010-11	2011-12	2012-13
Public Account Receipts	11834	11735	12779	15487	27545
a. Small Savings, Provident Fund etc.	2130	2571	2804	2492	3001
b. Reserve Fund	533	736	603	1661	939
c. Deposits and Advances	3236	3134	3346	4126	6537
d. Suspense and Miscellaneous	18	37	-2	-32	8527
e. Remittances	5917	5257	6028	7240	8541

Source: Finance Accounts 2012-13 of Government of Odisha

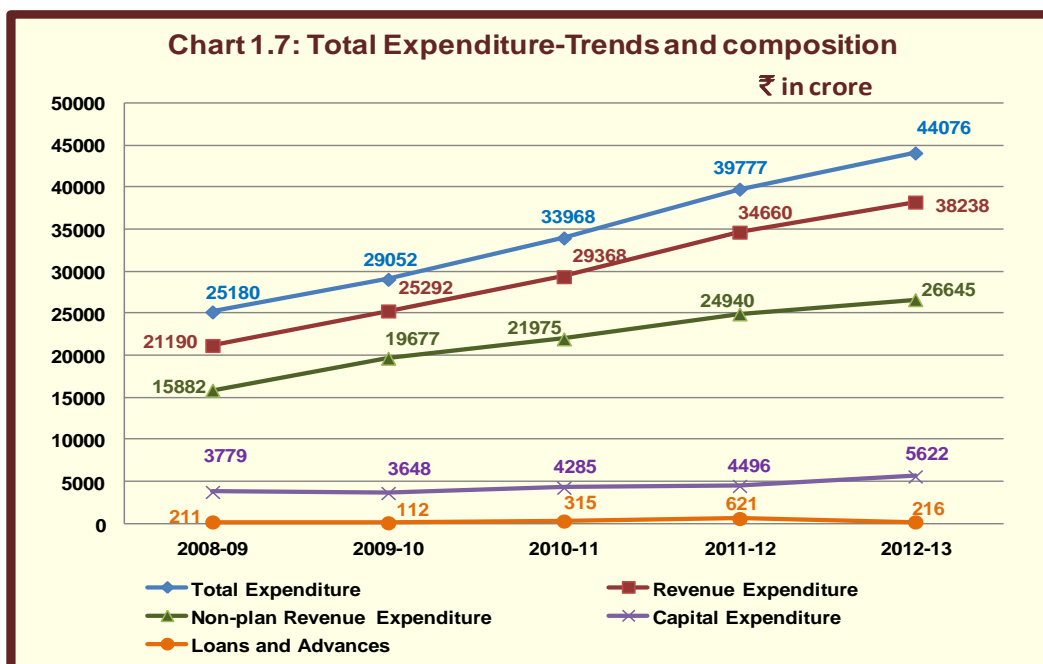
The share of Public Accounts receipts on total receipts increased from 31 percent in 2008-09 to 37 per cent in 2012-13. As compared to 2011-12, the increase during 2012-13 was 78 per cent (₹12058 crore) which was mainly under Suspense and Miscellaneous, Remittances and Deposits and Advances, etc.

1.7 Application of Resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure, especially the expenditure directed towards development of social sector.

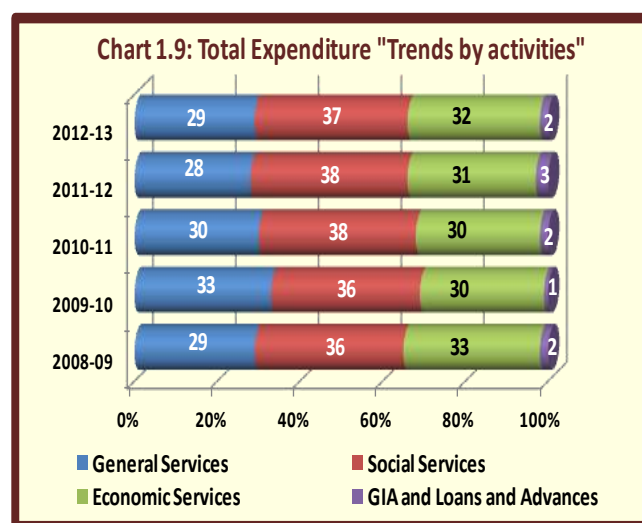
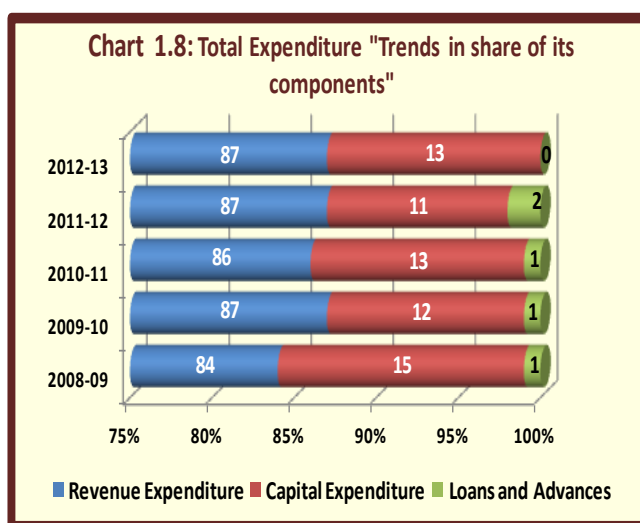
1.7.1 Growth and Composition of Expenditure

Chart 1.7 presents the trends in total expenditure over a period of five years (2008-13) and its composition both in terms of 'economic classification' and 'expenditure by activities' is depicted in **Charts 1.8 and 1.9** respectively.



Total expenditure of the State increased by 75 per cent from ₹ 25180 crore in 2008-09 to ₹ 44076 crore in 2012-13 due to increase in Revenue Expenditure (₹ 17048 crore), capital outlay (₹ 1843 crore) and disbursement of loans and advance (₹ Five crore). While the share of Revenue Expenditure in the total expenditure increased from 84 per cent during 2008-09 to 87 per cent in 2012-13, the share of Capital Expenditure decreased from 15 per cent in 2008-09 to 13 per cent in 2012-13.

The increase of ₹ 4299 crore in total expenditure in 2012-13 over the previous year was on account of increase in Revenue Expenditure and Capital Expenditure by ₹ 3578 crore and ₹ 1126 crore respectively set off by decrease in disbursement of loans and advances by ₹ 405 crore. The total expenditure was 17.03 per cent of GDP during 2012-13 as compared to 18.42 per cent during the previous year.



1.7.2 Total Expenditure

Total Expenditure (TE) consisted of expenditure on General Services including Interest Payments, Social and Economic Services and Grants-in-aid and disbursement of Loans and Advances. The movement of relative shares of the component of expenditure is indicated in **Chart 1.9**

1.7.3 Revenue Expenditure

Revenue Expenditure (RE) is incurred to maintain the current level of services and payment of the past obligation and as such does not result in any addition to the State's infrastructure and service network. Revenue Expenditure had a predominant share of 84 *per cent* of total expenditure in 2008-09 which increased to 87 *per cent* in 2012-13. However, it increased by 10 *per cent* from ₹ 34660 crore in 2011-12 to ₹ 38238 crore in 2012-13 in absolute terms.

1.7.4 Non-Plan Revenue Expenditure

Non-Plan Revenue Expenditure (NPRE) as a proportion of Revenue Expenditure, increased from ₹ 15882 crore (75 *per cent*) in 2008-09 to ₹ 26645 crore (70 *per cent*) in 2012-13. Out of the total increase of ₹ 3578 crore in Revenue Expenditure during the current year over the previous year, increase in NPRE contributed 48 *per cent* (₹ 1705 crore) and the remaining 52 *per cent* (₹ 1873 crore) was the Plan Revenue Expenditure (PRE). The increase in NPRE during the current year was mainly on Education, Sports, Art and Culture (₹ 313 crore), Agriculture & Allied Services (₹ 298 crore), Transport (₹ 256 crore) and Welfare of SC, ST and OBC (₹ 167 crore). Although the NPRE exceeded ThFC's assessment (₹ 22752 crore) by ₹ 3893 crore, it remained below the assessment made by the Government in MTFP (₹ 29594 crore) for 2012-13 by ₹ 2949 crore, as indicated in **Table 1.15**.

Table 1.15: Comparative assessments of RE and NPRE and *per cent* of GSDP

	Assessment made by ThFC	Assessment made by Government in MTFP	Actual in 2012-13
Revenue Expenditure	Not available	41432 (16.01)	38238 (14.78)
NPRE	22752 (8.79)	29594 (11.44)	26645 (10.30)

Note: Figures in bracket is percentage to GSDP (₹ 258744 crore) for 2012-13.

Source: Thirteenth Finance Commission's Report and Finance Accounts 2012-13 and Budget at a glance 2013-14 on Government of Odisha

NPRE constituted 60 *per cent* of the total expenditure of the State during 2012-13. Its ratio with Revenue Expenditure declined from 75 *per cent* in 2009-08 to 70 *per cent* in the current year, an improvement over the previous period.

1.7.5 Capital Expenditure

Capital Expenditure (CE) of the State as proportion of total expenditure decreased from 15 *per cent* (₹ 3779 crore) in 2008-09 to 13 *per cent* (₹ 5622 crore) in 2012-13. However, CE (₹ 5622 crore) showed an increase of 25 *per cent* during 2012-13 over the previous year (₹ 4496 crore) in absolute terms, mainly on account of increase in

expenditure on Transport (₹ 295 crore), Irrigation and Flood control (₹ 256 crore), Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 180 crore), Water Supplies, Sanitation and Housing and Urban Development (₹ 173 crore) and Energy (₹ 106 crore). The CE during 2012-13, was 2.17 per cent of GSDP as against Government’s projection of 2.72 per cent in Budget Estimate for 2012-13. The CE (₹ 5622 crore) was lesser by ₹ 1421 crore (20 per cent) against Budget Estimate (₹ 7043 crore) during the current year which is not a good sign and defeated the intended asset creation objective of the Budget.

1.7.6 Committed Expenditure

Committed Expenditure of the State Government on Revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.16** and **Chart 1.10** present the trends in the expenditure on these components during 2008-13.

Table 1.16: Components of Committed Expenditure

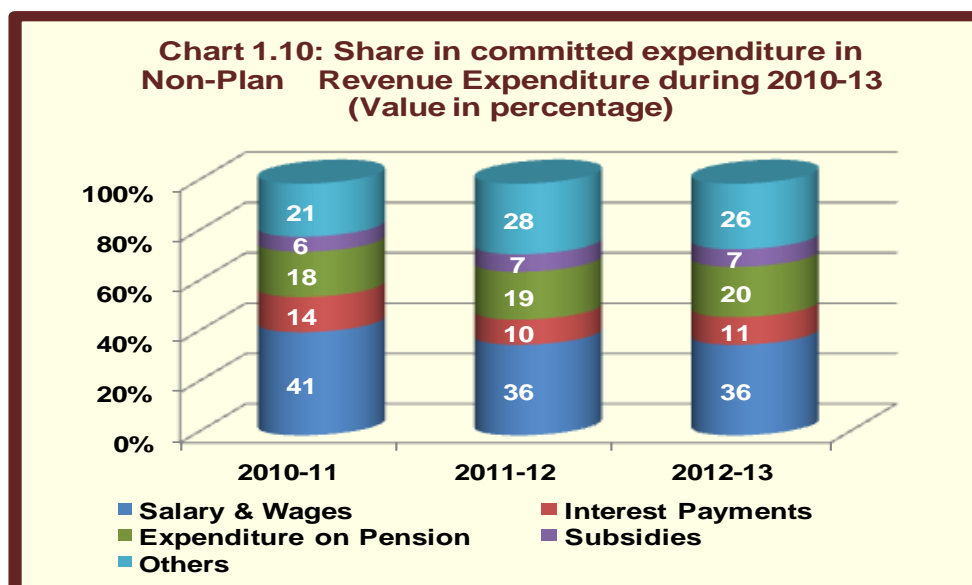
	2008-09	2009-10	2010-11	2011-12	2012-13	
					BE	Actuals
Salaries* & Wages ,	6524 (27)	7945 (27)	8969 (26)	8868 (22)	12599	9615 (22)
Non-Plan Head	6220	7484	8448	8385	11602	9118
Plan Head**	304	461	521	483	997	497
Interest Payments	2889 (12)	3044 (10)	3061 (9)	2576 (6)	4512	2807 (6)
Expenditure on Pensions	2075 (8)	3283 (11)	4011 (12)	4741 (12)	5800	5379 (12)
Subsidies	743 (3)	1008 (4)	1310 (4)	1744 (4)	1396	1951 (4)
TOTAL	12231	15280	17351	17929		19752

Figures in the parentheses indicate *percentage* to Revenue Receipts. **BE:** Budget Estimates

* also includes the salaries paid out of Grants-in-aid

** also includes the salaries and wages paid under centrally sponsored schemes

Source: Finance Accounts 2012-13, Government of Odisha and Odisha Budget at a Glance 2013-14.



1.7.6.1 Salaries

Expenditure on salaries increased from ₹ 6524 crore in 2008-09 to ₹ 9615 crore in 2012-13 accounting for nearly 22 per cent of Revenue Receipts and 36 per cent of the NPRES of the State Government during the year. The salary expenditure (₹ 9615 crore) was ₹ 2302 crore more than the ThFC assessment of ₹ 7313 crore for 2012-13 in absolute terms. The expenditure on salary was 25 per cent of Revenue Expenditure during 2012-13 as against 26 per cent in 2011-12.

1.7.6.2 Interest Payments

Interest payments during the current year (₹ 2807 crore) increased by ₹ 231 crore over the previous year's (₹ 2576 crore) and remained lower than the projections made in MTFP (₹ 4512 crore), ThFC (₹ 4537 crore) and Budget Estimates (₹ 4512 crore) for the year 2012-13. During 2012-13, interest payment as percentage of total Revenue Receipts was six per cent which was lower than the projections of 10.29 per cent in MTFP.

1.7.6.3 Pensions

Expenditure on pension (₹ 5379) which was 12 per cent of total Revenue Receipts of the State during the year steeply increased by 159 per cent from ₹ 2075 crore in 2008-09 to ₹ 5379 crore in 2012-13. It also increased by ₹ 638 crore from ₹ 4741 crore in 2011-12 to ₹ 5379 crore in 2012-13, being 13 per cent more than the previous year and also exceeded the ThFC estimation of increase of 10 per cent per annum. The increase in the current year over the previous year was mainly due to more expenditure under pensions and other retirement benefits to Government servants and Non-Government Teachers of Secondary Schools and Colleges. The State Government did not adequately estimate yearly pension liabilities for next ten years, as required under FRBM Act, 2005. The pension payment during the current year was higher than the projection made by ThFC (₹ 3187 crore) for the year.

The Government introduced a 'Defined Contributory Pension Scheme' for all employees recruited on or after 1 January 2005 for managing the future pension liability. The State Government has executed agreement with National Securities Depository Limited (NSDL), Mumbai, the Central Record Keeping Agency appointed by the Pension Fund Regulatory and Development Authority (PFRDA) as well as with New Pension Scheme (NPS) Trust, New Delhi for smooth management of NPS. An amount of ₹ 61.57 crore, being the employees contribution as well as employer's contribution, was kept under Public Accounts (8432-Other Deposits) for transfer to National Pension Scheme (NPS) Trust. Thus, the State Government's liability on this account was ₹ 61.57 crore as on 31st March 2013. This amount, has not been transferred to NPS, thus defeated the main objective of introducing the Defined Contribution Pension Scheme in order to limit future pension liabilities.

The ThFC (Sept 2010) recommended release of grant of ₹ 10 crore to assist the States to build the database of their employees and pensioners which should be integrated with an electronic payroll and pension payment system to facilitate error free and real time updates. Out of this, the Government of Odisha drew ₹ 2.50 crore during 2010-11. The balance amount of ₹ 7.50 crore was to be released by the Government as per recommendation of ThFC after the creation of database. The ThFC recommended completing this database in three years i.e by 2012-13. But the Government is yet to create the database.

The Government stated (November 2013) that steps are being taken to invest / transfer employer's as well as employee's contribution to the identified fund manager with minimum possible time lag. The modalities are being worked out by the Director of Treasuries and Inspection, Odisha (DT& I (O)) in consultation with the Pr. Accountant General (A&E), Odisha. The reply indicated that Government has not yet transferred ₹ 61.57 crore from Public Account to NSDL and NPS trust despite the commitment made by the Government (November 2012) for transfer of such funds.

The State has been able to build the database of the pensioners in I OTMS. However, a Human Resources Management System (HRMS) has been put in place which is yet to capture the database of all the employees and demonstrate its efficacy in projection of salary expenditure.

The Government should take steps to complete the database and get the residual 13th FC Fund of ₹ 7.50 crore.

The fact however, remained that the database is yet to be completed. Further, efforts should be made by the Government to complete the data base as early as possible to get the residual fund for ₹ 7.50 crore from ThFC.

1.7.6.4 Subsidies

States, for welfare of public at large provide subsidies/subventions to disadvantaged sections of the society. Subsidies are dispensed not only explicitly but also implicitly by providing subsidised public service to the people. Budgetary support to financial institutions and poor recovery of user charges from social and economic services provided by the Government fall in the category of implicit subsidies.

The State Government in its MTFP for 2007-08, aimed to rationalise general subsidy and reduce their overall volume gradually at a rate of 10 *per cent* per annum beginning from 2005-06. However, the expenditure on subsidies increased from ₹ 743 crore in 2008-09 to ₹ 1951 crore (over 163 *per cent*) in 2012-13 which included food subsidy of ₹ 1190 crore due to continuation of scheme for disbursement of rice at two rupees per kilogram to people living below poverty line, ₹ 341 crore under Relief on account of Natural Calamities which consisted mainly of assistance to farmers affected by floods/cyclone for purchase of agricultural inputs etc, ₹ 30 crore under subsidy to Orissa Lift Irrigation Corporation Limited and ₹ 117 crore interest subsidy/subvention to the co-operative banks for providing crop loan at five *per cent* interest per annum to the farmers.

1.7.6.5 Future committed liabilities

Appendix XIV of Finance Accounts, 2012-13 depicts the information on committed liabilities of the State in the future as detailed in **Table 1.17**

Table 1.17: Committed Liabilities of the State in future (at the end of 31.03.2013)

(₹ in crore)					
SI No	Nature of the Liability	Plan	Non-Plan	Likely year of the discharge	Balance Remaining
1.	Pensions	0	57426.97	2013-19	57426.97
2.	Interest payments	0	38638.70	2013-19	38638.70
3.	Repayment of Loan	0	13017.56	2013-19	13017.56
	TOTAL	0	109083.23		109083.23

Source: Finance Accounts 2012-13, Government of Odisha.

The total committed liabilities of the State stood at ₹ 109083 crore as at the end of the year. Out of total liabilities, pension payment obligations were 53 percent, interest payment 35 percent and loan repayment 12 percent.

1.7.7 Financial Assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants to local bodies and others during the current year relative to the previous years is presented in the **Table 1.18**.

Table 1.18: Financial Assistance to Local Bodies etc.

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Educational institutions (aided schools, aided colleges, universities, etc.)	355	697	1722	1859	668
Municipal Corporations and Municipalities	487	645	1168	591	804
Zilla Parishads and Other Panchayati Raj Institutions	2388	3062	3556	1149	1227
Development agencies	278	88	582	908	692
Other Institutions	1914	2230	2058	4558	3632
TOTAL	5422	6722	9086	9065	7023
Assistance as per percentage of RE	26	28	31	26	18

Source: Finance Accounts of Government of Odisha

Grants extended to local bodies and other institutions has significantly decreased by ₹ 2042 crore (23 per cent) from ₹ 9065 crore in 2011-12 to ₹ 7023 crore in 2012-13. The decrease over previous year was mainly due to decrease in assistance to Educational Institutions (₹ 1191 crore), Development agencies (₹ 216 crore) and Other Institutions (₹ 926 crore) which was partly set off by increase in assistance to Municipal Corporations and Municipalities (₹ 213 crore), Zilla Parishads and Other Panchayati Raj Institutions (₹ 78 crore) resulting in decrease in the share of grants and loans to the Revenue Expenditure from 26 per cent in 2011-12 to 18 per cent in the current year.

1.8 Quality of Expenditure

Availability of better infrastructure in the social, educational and health sector in the State generally reflects the quality of expenditure. Improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the expenditure (i.e. adequate provisions for providing public services), efficiency of expenditure use (assessment of input –output relationship in terms of time etc.) and the effectiveness (assessment of outlay-outcome relationships for selected services).

1.8.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure assigned to the State Governments are largely State subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education, health etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if it is below the respective national average. **Table 1.19** analyses the fiscal priority of the

State Government with regard to Development Expenditure, Social Expenditure and Capital Expenditure during 2012-13.

Table 1.19: Fiscal Priority and Fiscal capacity of the State in 2009-10 and 2012-13.

(In percent)

Fiscal Priority by the State	AE/GSDP	DE#/AE	SSE/AE	CE/AE	Education/AE	Health/AE
General Category States* average (Ratio) 2009-10	17.06	66.05	35.73	14.96	16.19	4.24
Odisha State's average (Ratio) 2009-10	17.83	65.95	35.97	12.56	19.12	4.03
General Category States* average (Ratio) 2012-13	15.93	65.79	32.77	13.23	17.23	4.47
Odisha State's average (Ratio) 2012-13	17.03	69.39	36.72	12.76	16.57	4.00

As per cent to GSDP

* General Category States excluding Delhi and Goa

AE: Aggregate Expenditure, DE: Development Expenditure, SSE: Social Sector Expenditure, CE: Capital Expenditure

#G Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans & Advance disbursed

From the above table, it may be seen that

- The ratio of the AE to GSDP in 2009-10 and 2012-13 (17.83 per cent and 17.03 per cent) was higher in Odisha as compared to other General Category States (17.06 per cent and 15.93 per cent).
- Development expenditure as a proportion of Aggregate expenditure in Odisha was lower compared to the average of General Category States during 2009-10. However, in 2012-13, Odisha spent a higher proportion on this account as compared to General Category states. Development expenditure consists of both economic service expenditure and social sector expenditure.
- Capital Expenditure however, has been given less fiscal priority in the current year as well as in 2009-10. Increased priority to physical capital formation will further increase the growth prospects of the state by creating durable assets.
- Fiscal priority given to education in Odisha was higher than other General Category States in 2009-10, but in 2012-13, lower fiscal priority was given to this sector by the State as compared to other General Category States.
- Fiscal priority given to health sector in Odisha during 2009-10 as well as in current year based on the proportion of aggregate expenditure was lower than other General Category States. Greater fiscal priority needs to be accorded to the health sector.

1.8.2 Efficiency of Expenditure use

In view of the importance of public expenditure for attaining higher levels of social and economic development, it is important for the Government to take appropriate expenditure rationalisation measures so as to lay emphasis on provision of core public and merit goods⁴. Apart from improving the allocation towards Development

⁴ **Core public goods** are which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc. **Merit goods** are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition,

Expenditure⁵, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years and which is further enlarged due to generation of a surplus on Revenue account since 2005-06, the efficiency of expenditure use is also reflected by the ratio of Capital Expenditure to total expenditure (and/or GSDP) and proportion of Revenue Expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.20** presents the trends in Development Expenditure relative to the Aggregate Expenditure of the State during the current year vis-à-vis budgeted and the previous years, **Table 1.21** provides the details of Capital Expenditure and the components of Revenue Expenditure incurred on the maintenance of the selected social and economic services.

Table 1.20: Development Expenditure

(₹ in crore)

Components of Development Expenditure [§]	2008-09	2009-10	2010-11	2011-12	2012-13	
					(BE)	(Actual)
Development Expenditure (a to c)						
a. Development Revenue Expenditure (DRE)	13835 (55)	15600 (54)	18999 (56)	23070 (58)	25046	25173 (57)
b. Development Capital Expenditure (DCE)	3595 (14)	3470 (12)	4051 (12)	4238 (11)	6279	5271 (12)
c. Development Loans and Advances	122 (0.5)	89 (0.3)	258 (0.8)	401 (1)	NA	142 (0.3)
TOTAL	17552 (70)	19159 (66)	23308 (69)	27709 (70)		30586 (69)

Figures in parentheses indicate *percentage* to aggregate expenditure; NA: Not available

***Source:** Odisha Budget at a Glance 2013-14 and Finance Accounts 2012-13. Details in **Appendix 1.3**

[§] The expenditure on social and economic services constitutes Development Expenditure.

Development expenditure comprising Revenue, Capital and expenditure on loans and advances on socio-economic services increased from ₹ 17552 crore in 2008-09 to ₹ 30586 crore in 2012-13. As a percentage of total expenditure, it decreased marginally from 70 *per cent* in 2008-09 to 69 *per cent* in 2012-13.

It would be seen from the above that Development Revenue Expenditure which was ₹ 13835 crore during 2008-09 rose to ₹ 25173 crore during 2012-13, registering a growth of nearly 82 *per cent*.

During 2012-13 Development Revenue Expenditure increased by ₹ 2103 crore (nine *per cent*) in absolute terms and Development Capital Expenditure increased by ₹1033 crore (24 *per cent*) over the previous year.

The increase in Development Revenue Expenditure during 2012-13 over the previous year was mainly due to increase under Education (₹ 202 crore), Health & Family Welfare (₹ 356 crore), Water Supplies, Sanitation and Housing & Urban Development (₹ 216 crore) Agriculture & allied activities (₹ 388 crore), Transport (₹ 133 crore) and Irrigation and Flood Control (₹ 183 crore). The increase in Capital Expenditure during 2012-13 over the previous year was mainly due to increase in expenditure on

delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

⁵ Analysis of expenditure data is disaggregated into development and non development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, the social and economic services constitute development expenditure, while expenditure on general services is treated as non-development expenditure.

Transport (₹ 295 crore), Irrigation & Flood control (₹ 256 crore), Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes (₹ 180 crore), Water Supplies, Sanitation and Housing and Urban Development (₹ 173 crore) and Energy (₹ 106 crore).

Table 1.21: Efficiency of expenditure in selected Social and Economic services

(In per cent)

Sectors	2011-12			2012-13		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S &W	O&M		S&W	O &M
Social Services (SS)						
General Education	1.42	53.21	NA	0.54	53.80	NA
Health and Family Welfare	2.71	72.82	NA	4.75	61.81	NA
Water Supplies, Sanitation & Housing & Urban Development	16.74	7.79	31.75	25.84	6.73	29.40
TOTAL (SS)	4.33	35.33	1.98	7.45	36.32	2.18
Economic Services (ES)						
Agriculture & Allied Activities	4.41	23.01	NA	1.16	19.67	NA
Irrigation and Flood Control	67.06	18.31	25.58	65.80	16.01	40.90
Power & Energy	43.05	16.16	11.14	65.54	23.64	43.95
Transport	51.34	0.33	61.41	49.73	0.38	30.37
Total (ES)	28.43	14.85	18.88	28.23	13.87	10.96
TOTAL (SS+ES)	15.27	27.58	5.35	17.23	27.23	5.74

TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations & Maintenance.

O&M figures are not available in General Education, Health and Family Welfare, Agriculture & Allied Activities and Transport Departments.

Source: Finance Accounts of Government of Odisha

Access to basic education, health services, drinking water and sanitation facilities are strong indicators of socio economic progress. Further, expenditure on economic services includes all such services that promote directly and indirectly productive capacity within the State by improving the quality of human resources. Therefore, it is pertinent to make an assessment with regard to expansion and efficient provision of these services in the State. **Table 1.22** summarises percentage of expenditure under different components of economic and social services sectors incurred by the State Government in expanding and maintaining social and economic services in the State during 2011-12 and 2012-13.

The share of Capital Expenditure to total expenditure has increased in respect of Water Supplies, Sanitation, Housing & Urban Development, Health & Family Welfare (in Social Services) and Power and Energy (in Economic Services) during 2012-13 as compared to the previous year whereas the share of the Operation & Maintenance expenditure has substantially increased in Power & Energy and Irrigation & Flood Control set off by substantial decrease of the same in Transport.

As seen from **Appendix 1.3**, expenditure on Social Services during 2012-13 (₹ 16182 crore) constituting 37 per cent of total expenditure (₹ 44076 crore) increased by eight per cent over the previous year's expenditure (₹ 14995 crore) while in Development Expenditure (₹ 30586 crore), which was 69 per cent of total expenditure, there was an increase of 10 per cent over the previous year (₹ 27709 crore). Operation and maintenance expenditure increased only by 0.39 per cent indicating that Revenue Expenditure on salaries continued to share a dominant proportion of Revenue

Expenditure on Social Services (36 *per cent*). Capital Expenditure on Social Services relative to the total expenditure showed a marginal increase (3.12 *per cent*) over the previous year.

It was observed that the salary component in Health & Family Welfare and Water Supplies, Sanitation, Housing & Urban Development decreased by 11.01 *per cent* and 1.06 *per cent* respectively.

Expenditure on economic services includes all such expenditure that promotes directly or indirectly, productive capacity within the State's economy. During 2012-13, total expenditure under economic services (₹ 14262 crore) increased by 16 *per cent* over previous year. The expenditure on total economic services (₹ 14202 crore) accounted for 32 *per cent* of total expenditure and 46 *per cent* of Development Expenditure.

1.8.3 Outcome Budget (Effectiveness of the Expenditure)

The concept of outcome budget is an important tool for effective Government management and accountability. It is a performance measurement tool that helps in better service delivery; decision-making; evaluating programme performance and results; communicating programme goals; and improving programme effectiveness. The exercise is primarily meant at converting financial outlays into measurable and monitorable outcome. The idea is to make the programme implementing agencies more result oriented by shifting the focus from 'Outlay' to 'Outcome'.

Outlay-outcome budget of three departments viz. ST & SC Development Department, Panchayati Raj Department and Fisheries & Animal Resources Development Department were reviewed for the year 2012-13 and it was seen that the financial and physical targets were not fully achieved (*Appendix 1.6*).

In ST & SC Development Department the following deficiencies were noticed in the financial & physical achievement up to December 2012:

- In the scheme for implementation of Computer Education in High School and Girls High School, only 14 *per cent* (₹ 10 crore) of the total funds allotted (₹ 75 crore) were utilized and physical achievement was also 15 *per cent* (11 schools out of 75 targeted).
- In the scheme for construction of hostels for ST Girls, 82 *per cent* (₹ 171 crore) of funds allotted (₹ 210 crore) were utilized, but only 32 *per cent* (316) of the targeted number (1000) of hostels could be completed. Thus, although funds to provide residential accommodation to the beneficiaries were available, the targeted physical outcomes were not achieved.
- In four schemes, i.e. creation of infrastructure, supply of cooking gas, establishment of micro projects for primitive tribes and grant in aid to State Tribal Development Cooperative Corporations for Minor Forest Produce (STDCC for MFP), the financial achievement was below 50 *per cent*, resulting in corresponding low achievement of physical targets.
- In the scheme to provide solar lamps to hostels having no electricity, 59 *per cent* (₹ 53 lakh) of funds allotted (₹ 91 lakh) were utilized, but only 51 *per cent*

cent (77) of the targeted number (150) hostels could be supplied with solar lamps.

The above facts are indicative of unrealistic budgeting or estimation of projects.

In the Panchayati Raj Department, financial achievement in the major schemes i.e. GGY (Gopabandhu Grameen Yojana) for employment generation, BRGF (Backward Region Grant Fund), IAY (Indira Awas Yojana) and Mo Kudia for construction of houses etc. for rural people was poor as detailed below:

- In the GGY scheme for employment generation, 52 per cent (₹ 81 crore) of the funds allotted (₹ 155 crore) were utilized against which only 54 per cent (4221 projects) of the targeted number (7848 projects) of employment could be provided.
- In the BRGF scheme, 43 per cent (₹ 180 crore) of the funds allotted (₹ 414 crore) were utilized against which 58 per cent (5922) of the targeted number (10264) of projects could be completed.
- In the Indira Awas Yojana scheme, 42 per cent (₹ 429 crore) of the funds allotted (₹ 1019 crore) were utilized against which only 15 per cent (59877) of the targeted number (395148) of houses could be completed.
- In the Mo Kudia scheme, 46 per cent (₹ 46 crore) of the fund allotted (₹ 100 crore) was utilized against which only 28 per cent (7940) of the targeted number (28168) of houses could be completed.
- In the C.C Road Scheme, although the full extent of funds for the year as well as funds carried over were utilized (₹ 197.85 crore against financial outlay of ₹ 150 crore for the year), only 8 per cent (232 km) against a target of 2907 kms of road work could be completed.

In Fisheries & Animal Resource Development Department, the encouragement of commercial poultry entrepreneur and promotion of backyard poultry production scheme, percentage of utilization was 29 per cent (₹ 29 lakh) of the allotted fund (₹ one crore) towards recurring expenses for breeding of poultry farms.

It was further seen from the Outcome Budget that either due to funds not being sanctioned or Central Assistance not being received, 22 schemes were not implemented.

Not only was the achievement in terms of physical outcomes below the targets set, even the management of funds available to executing agencies were not managed adequately. In 11 schemes under the above three departments, the percentage of utilisation was below 60 per cent by the third quarter of 2012-13. Thus, even the objectives of Cash Management System to reduce rush of expenditure during the last quarters of the financial year were not fulfilled, as detailed in Chapter-II of this Report.

1.9 Financial Analysis of Government Expenditure and Investments

In the post-FRBM framework, the State is expected to keep its fiscal deficit not only low but also meet its Capital Expenditure/Investment (including Loans and Advances) requirement out of its own source of Revenue. In addition, in a transition to complete dependence on market based resources, the State Government needs to initiate measures to earn adequate Return on its Investments (RoI) and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other Capital Expenditure undertaken by the Government during the current year vis-à-vis previous years.

1.9.1 Financial Results of Irrigation Works

The financial results of 62 irrigation projects (13-major and 49-medium projects) with a Capital Expenditure of ₹ 3967.38 crore at the end of March 2013 showed that an amount of ₹ 235.72 crore was realised from these projects during 2012-13 by way of sale of water to industries. After meeting the working and maintenance expenditure of ₹ 208.07 crore and interest charges of ₹ 267.61 crore, the schemes suffered a net loss of ₹ 239.96 crore.

1.9.2 Incomplete Projects

Blocking of funds on incomplete works affects negatively on the quality of expenditure. The department-wise information pertaining to incomplete time overrun projects as on 31 March 2013 is given in **Table 1.22** as per the Budget at Glance 2013-14 and information furnished to Audit by the concerned Departments.

Table 1.22: Department-wise profile of incomplete projects

(₹ in crore)				
Department	No. of Incomplete Projects	Initial Budgeted Cost	Revised Total Cost of Projects	Cumulative Actual Expenditure as on 31 March 2013
Water Resources	58	170.67	183.21	53.45
Works	15	190.72	190.72	82.17
E and T E & T	2	3.32	3.35	2.36
Housing & Urban Development	7	18.61	29.02	22.24
Rural Development	68	193.70	202.45	150.36
Industries	1	39.89	39.89	36.79
TOTAL	151	616.91	648.64	347.37

Source: Budget at Glance 2013-14 and details supplied by Finance Department.

Out of these, delay in completion of 45 projects has resulted in cost overrun of ₹ 34.49 crore as of 31 March 2013, details given in **Table 1.23** below.

Table 1.23: Projects depicting cost overrun

Department	No. of Incomplete Projects	Initial Budgeted Cost	Revised Cost Projects	Total of	Cost overrun
Water Resources	14	37.08		52.34	15.26
Housing & Urban Development	3	10.33		20.10	9.77
Rural Development	27	75.85		85.30	9.45
E and TE &T	1	1.77		1.78	0.01
TOTAL	45	125.03		159.52	34.49

Source: Budget at Glance 2013-14 and details supplied by Finance Department.

All the above 151 projects were lying incomplete due to the prolonged processes involved in land acquisition, matters lying sub-judice in Courts, finalising and revising the designs, shortage of funds and slow progress of work. Due to non-completion of projects, not only were the benefits that were to accrue to the intended beneficiaries delayed, but also the cost to the exchequer increased due to time overrun involved in their completion.

Efforts should be made by the concerned Departments to complete the incomplete projects as early as possible, as ₹ 347.37 crore had already been spent on these incomplete projects and full benefits are yet to be realized.

1.9.3 Investment and Returns

Government had invested ₹ 2964.28 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives at the end of March 2013. Average return on this investment was 11.94 per cent in the last five years (19.04 per cent during 2012-13) while Government paid an average interest rate of 6.54 per cent to 7.63 per cent on its borrowings during 2008-09 to 2012-2013 (Table 1.24).

Table 1.24: Return on Investment

(₹ in crore)

Year	2008-09	2009-10	2010-11	2011-12	2012-13
Investment at the end of the year	1771.20	2106.95	2190.37	2908.07	2964.28
Return	252.85	250.78	101.58	286.23	564.53
Percentage of return	14.27	11.90	4.64	9.84	19.04
Average rate of interest on Government borrowing	7.44	7.63	7.39	6.09	6.54
Difference between interest rate and return	(-)6.83	(-)4.27	(+)2.75	(-)3.75	(-)12.50

The investment of State Government at the end of 2012-13 included ₹ 2602.88 crore in 83 Public Sector Undertakings (PSU) comprising 80 Government Companies (₹ 2102.42 crore) and three Statutory Corporations (₹ 500.46 crore). Dividend of ₹ 564.53 crore was received from one Statutory Corporation⁶, six jointly held Companies⁷ and one Co-operative Society⁸ during 2012-13.

⁶ Odisha State Warehousing Corporation, Bhubaneswar: ₹ 0.72 crore.

⁷ Odisha Mining Corporation Limited: ₹ 500 crore, Odisha Small Industries Corporation Limited: ₹ 0.19 crore, Odisha Hydro Power Corporation: ₹ 19.42 crore, Odisha Power Generation Corporation Limited: ₹ 42.50 crore, Odisha State Cashew Development Corporation Limited: ₹ 1.17 crore and Odisha Ceramic Industries Limited: ₹ 0.01 crore..

⁸ Other cooperatives ₹ 0.52 crore.

As per information furnished in the Odisha Budget at a Glance 2013-14, Grid Corporation of Odisha Limited (GRIDCO) with accumulated loss of ₹1772.45 crore, Odisha State Road Transport Corporation with ₹198.72 crore, Odisha State Financial Corporation with ₹ 400.39 crore, Odisha Forest Development Corporation with ₹149.56 crore and Odisha Power Transmission Corporation with ₹ 157.05 crore were among the major loss incurring PSUs in the State as of 2011-12. During 2012-13, the Government invested ₹ 58 crore in two loss incurring PSUs i.e. Odisha Power Transmission Corporation Limited (OPTCL) (₹50 crore) & Odisha State Road Transport Corporation (₹ eight crore).

Out of 83 PSUs in the State, 30 were working and the rest 53⁹ PSUs were non-working. The ThFC recommended the State Government to draw up a road map for closure of non-working PSUs by March 2011 but the State Government had not done so, as of March 2013.

1.9.4 Loans and Advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, Government has also been providing loans and advances to many of these institutions/organisations. Loans and advances by the State Government increased by ₹ 74 crore from ₹ 3903 crore in 2011-12 to ₹ 3977 crore in 2012-13. During the year Government advanced loan amounting to ₹ 216 crore and ₹ 142 crore was repaid by the loanee entities. Major portion of loans advanced during 2012-13 was to Energy sector (₹ 135 crore), Government servants (₹ 74 crore). **Table 1.25** presents outstanding loans and advances as on 31 March 2013 and interest receipts vis-à-vis interest payments during the last three years.

Table 1.25: Average Interest Received on Loans Advanced by the State Government

	(₹ in crore)		
Quantum of Loans/Interest Receipts/ Cost of Borrowings	2010-11	2011-12	2012-13
Opening Balance	3133	3414	3903
Amount advanced during the year	315	621	216
Amount repaid during the year	34	132	142
Closing Balance	3414	3903	3977
<i>Of which</i> outstanding balance for which terms and conditions have been settled			
Net addition	(+281)	(+489)	(+74)
Interest Receipts	29	16	16
Interest receipts as <i>per cent</i> to outstanding Loans and advances	0.85	0.41	0.40
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government.	7.26	6.07	6.48
Difference between interest payments and interest receipts (<i>per cent</i>)	(-)6.41	(-)5.66	(-)6.08

Source: Finance Accounts of Government of Odisha for respective years

Loans outstanding as of 31 March 2013 aggregated ₹ 3977 crore. Of the total outstanding loans of ₹ 3977 crore, terms and conditions for loan amount of ₹ 1405.10 crore are yet to be settled. The same are pending for settlement since 1994-95. (Statement 16 of Finance Accounts 2012-13)

⁹ Out of 53 Non working PSUs, 14 were defunct Government Companies, 18 companies were under liquidation, 2 companies were liquidated, 9 were closed Government companies and no information available on present status of 10 companies. (Source: Finance Accounts 2012-13).

Scrutiny of the total outstanding loans revealed that loans amount ranging from ₹ 2742 crore to ₹ 3328 crore during 2008-09 to 2012-13 relating to 12 departments remained unaltered/marginally repaid for more than five years. The **Table 1.26** shows the dismal trend of repayment as in many of these cases, the closing balances remained undisturbed.

Table 1.26: Loans & advances rolling for a long time

(₹ in crore)

Sl.No	Name of Deptt.	2008-09	2009-10	2010-11	2011-12	2012-13
1	Excise	1	1	1	1	1
2	Education	6.29	6.29	6.43	6.05	6.11
3	Housing & Urban Development	376.57	424.44	475.44	639.68	637.25
4	Information & Public Relation (I & PR)	0.54	0.54	0.54	0.54	0.54
5	Welfare of SC, ST & OBC	13.56	13.56	13.56	13.56	13.56
6	Agriculture	49.61	49.61	49.56	49.54	49.46
7	Fisheries & Animal Resources Development	9.21	19.21	19.21	19.21	19.21
8	Co-operation	67.51	68.04	67.90	83.67	81.22
9	Water Resources	5.97	5.92	6.17	6.09	6.01
10	Energy	1943.09	1943.09	2148.09	2218.86	2296.20
11	Micro Small and Medium Entreprises (Industries)	435.23	203.32	203.54	206.04	209.25
12	Finance	7.34	7.34	7.34	7.34	7.34
	Total	2915.92	2742.36	2998.78	3251.58	3327.15

Source: Finance Accounts 2008-09 to 2012-13, Government of Odisha.

As seen above, in four cases (Excise, I & PR, Welfare of SC, ST & OBC and Finance Department), the loans and advances remained constant over five years. In two cases (Education and Agriculture department) the loans and advances reduced marginally, whereas in MSME (Industries) department the repayment was made only on 2009-10 and thereafter increased marginally. In rest seven cases loans and advances increased over the period of five year ending 2012-13.

In 2012-13, loans amounting to ₹ 210.05 crore were advanced to various loanee entities from whom repayment of earlier loans to the extent of ₹ 322.03 crore was in arrears. The earliest period to which arrears relate to was 1998-99 (i.e GRIDCO). Reasons for disbursement during the current year was not explained. Few cases of such loans are as follows:

Table 1.27: Arrear loans from loanee entity

(₹ in crore)

Name of the Loanee entity	Loans disbursed during the current year 2012-13	Amount of arrears as on March 2013
Scholarship and Advances to Stipendiary's from L.S,F	1.09	2.27
GRIDCO Ltd	135.00	133.35
Loans to Government Servants	73.96	186.41
Total	210.05	322.03

Source: Finance Account 2012-13

Thus, sanction of loan without assessing the loan repayment capacity of the loanee entity coupled with poor monitoring resulted in huge accumulation of unpaid loans for years together.

Interest receipts decreased by 400 *per cent* from ₹ 80 crore in 2008-09 to ₹ 16 crore during the current year. Similarly, interest received against the total outstanding loans and advances decreased from 2.37 *per cent* in 2008-09 to 0.40 *per cent* in 2012-13. While interest payment during 2012-13 was 6.48 *per cent* of its outstanding fiscal liabilities, the interest received was only 0.40 *per cent* of the outstanding loans and advances. As a result, interest spread of Government borrowings was negative during 2010-13 which meant that the state borrowings were more expensive than the loans advanced by it.

The Government stated (November 2013) that the main reason for decrease in interest receipt from ₹ 80 crore in 2008-09 to ₹ 16 crore in 2012-13 is non-receipt of interest from GRIDCO. The reply however, does not address the issue of non receipt of loan interest from other loanee entities as well as loans outstanding for more than five years.

1.9.5 Cash Balances and Investment of Cash Balances

Table 1.28 depicts the cash balances and investments made by the State Government out of cash balances during 2012-13. Total investment out of cash balances during 2012-13 were ₹ 7341.81 crore, major portion of which was in Government of India Treasury Bills (₹ 7239.95 crore). On these investments, the Government earned interest of ₹ 563.95 crore during the current year. Cash balance at the close of the current year increased from 11486.88 crore of the previous year to ₹ 12864.68 crore during the current year and reflected in cash balance investment accounts as follows.

Table 1.28: Cash balance and investment of cash balance

	Opening balance on 1/4/2012	Closing balance on 31/3/2013
(a) General Cash Balance -		
Cash in Treasuries	---	---
Deposits with Reserve Bank	(-)465.38	(-)23.92
Deposits with other Banks	---	---
Remittances in transit - Local	---	---
Investments held in Cash Balance investment account	6883.74	7341.81
Total (a)	6418.36	7317.89
(b) Other Cash Balances and Investments		
Cash with departmental officers viz. Public Works Department Officers, Forest Department Officers, District Collectors	45.20	23.47
Permanent advances for contingent expenditure with departmental officers	0.32	0.32
Investment of earmarked funds	5023.00	5523.00
Total (b)	5068.52	5546.79
Grand total (a)+ (b)	11486.88	12864.68

Source: Finance Accounts 2012-13, Government of Odisha.

The State Government maintained more than the mandated minimum cash balance (₹ 1.28 crore) including the cash balance investment in GoI treasury bills with the Reserve Bank of India as on 31 March 2013. One option for prudent financial management would be to maintain optimum cash balances and use the surpluses to settle some of the high cost bonds instead of investing the same in GoI Treasury bills with Reserve Bank of India at a relatively lower rate (five *per cent*) of interest. The State Governments closing debt stocks of 2012-13 included a few high interest bearing loans like 7.77 *per cent* Odisha Government Loan (OGL) 2015 (₹ 506 crore), 7.17 *per cent* OGL 2017 (₹ 191 crore), 7.36 *per cent* OGL 2014 (₹ 169 crore), 7.32 *per cent* OGL 2014 (₹ 218 crore) and nine *per cent* special security to National Small Savings Scheme (NSSF) of Government of India (₹ 8597 crore). The ThFC recommended (paragraph 7.127) that States with large cash balances should make efforts towards utilising their cash balances before resorting to fresh borrowings.

Analysis of Cash Balance

The ThFC had suggested that there should be directed effort by the States with large balances towards utilising their existing cash balances before resorting to fresh borrowings. The Reserve Bank of India has also reiterated the fact and advised the States to manage their cash balance more efficiently. It is commendable to note that the State adhering to ThFC recommendation not only avoided any open market borrowings during 2012-13 but also discharged high cost Odisha State Development Loans (OSDL) amounting to ₹ 1308 crore. Cash balance as a proportion of Total Expenditure was 17 *per cent* for 2012-13.

However, it was seen that Revenue Expenditure and Capital Expenditure were less than the Budget Estimate by ₹ 3194 crore (eight *per cent*) and ₹ 1421 crore (20 *per cent*) respectively. The decrease in Capital Expenditure as compared to Budget Estimate is not a good sign in a developing State with poor infrastructural levels. In view of the comfortable position of cash balances, with a Revenue surplus of ₹ 5699 crore and a fiscal surplus of three crore, the surplus cash balance could have been utilised in providing more funds under capital sector and in creating assets. Since maintaining huge idle cash balance is against the principles of prudent cash management, appropriate steps may be taken for spending on capital projects for creation of assets.

1.10 Assets and Liabilities

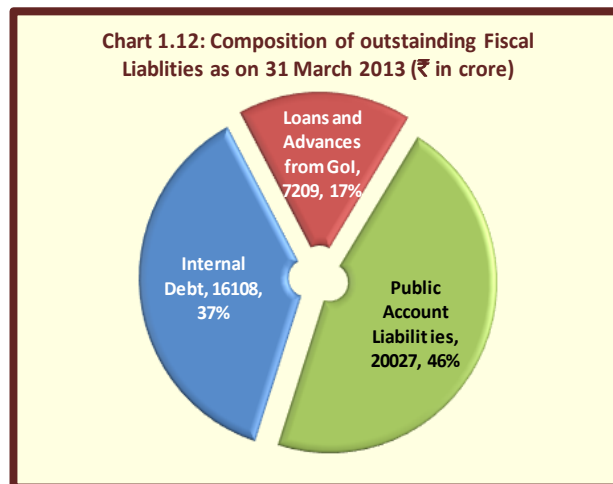
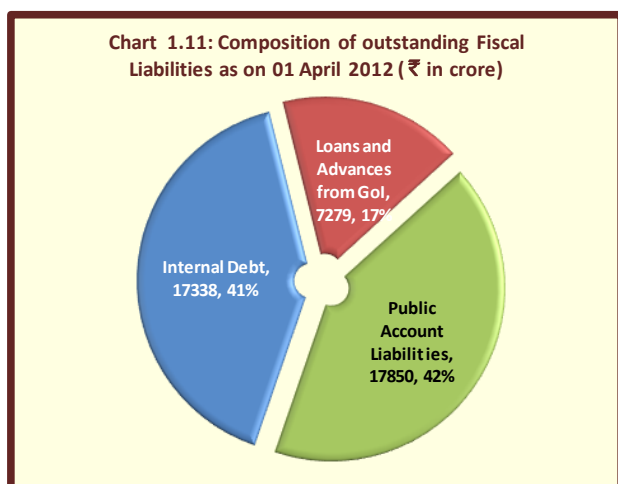
1.10.1 Growth and composition of Assets and Liabilities

Under the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government Accounts does capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.7** gives an abstract of such liabilities and the assets as on 31 March 2013, compared with the corresponding position as on 31 March 2012. The liabilities consist mainly of internal borrowings, loans and advances from the GoI and receipts from the Public Account and Reserve Funds; the assets comprise mainly the capital outlay and loans and advances given by the State Government and instruments in which surplus cash is invested.

After 2006-07, Government has accumulated huge cash balances and liquidated the past liabilities especially GoI loans and also made significant improvement in their fiscal balances owing to increase in its own receipts and the central transfers which helped the State Government in improving the asset-liability ratio during these years. During last five years assets have increased substantially.

1.10.2 Fiscal Liabilities

Trends in outstanding fiscal liabilities of the State are presented in *Appendix 1.3*. However, the composition of fiscal liabilities during the current year vis-à-vis the previous year are presented in **Chart 1.11** and **1.12**.



Fiscal liabilities as it stood on 1 April 2012 was ₹ 42467 crore comprising internal debt of ₹ 17338 crore (41 per cent), Public Accounts liability of ₹ 17850 crore (42 per cent) and loans and advance of ₹ 7279 crore (17 per cent) from GoI. However, it increased by ₹ 877 crore to ₹ 43344 crore as of 31 March 2013. The fiscal liabilities comprised internal debt of ₹ 16108 crore (37 per cent), public account of ₹ 20027 crore (46 per cent) and loans and advances of ₹ 7209 crore (17 per cent) as at the end of 2012-13. The internal debt of ₹ 16108 crore comprised mainly of market loans bearing interest (₹ 3806 crore), loans from National Bank of Agriculture and Rural Development (₹ 3330 crore) and special securities issued to National Small Savings Fund (₹ 8597 crore). The ThFC has recommended that by the year 2014-15, fiscal liability should be brought down to 25 per cent of GSDP. The Government has already been able to achieve this target during this year. The fiscal liabilities at the end of 2012-13 constituted 17 per cent of GSDP which is two per cent less than previous year. This is a positive sign for the State finances.

1.10.3 Status of Guarantees – Contingent Liabilities

Guarantees are contingent liabilities on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended by the State Government.

As per Statement 9 of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is given in **Table 1.29**.

Table 1.29: Guarantees given by the Government of Odisha

(₹ in crore)

Guarantees	2010-11	2011-12	2012-13
Maximum amount guaranteed (₹ in crore)	9788.62	10578.61	10578.61
Outstanding amount of guarantees (₹ in crore)	2066.24	2510.43	2251.23
Percentage of maximum amount guaranteed to total Revenue Receipt of current year (percentage)	29.41	26.27	24.08
Percentage of outstanding guarantee to total Revenue Receipt of 2 nd preceding year less Grants-in-aid as provided in the MTFP (percentage)	10.62	12.12	8.50
Maximum amount of guarantee as per criteria: (not be more than 100 <i>per cent</i> of State's Revenue Receipt less Grants-in-aid of the 2 nd preceding year as provided in Finance Department Resolution No 52214/F, dated 12 November 2002)	19452	20713	26470

Source: Finance Accounts of Government of Odisha for respective years.

The outstanding guarantees decreased by 10 *per cent* from ₹ 2510 crore in 2011-12 to ₹ 2251 crore in 2012-13. Guarantees were given in respect of Power sector (4), Co-operatives sector (41), Housing & Urban Development (86), Irrigation sector (2), Roads and Transport sector (2), State Financial Corporation sector (8) and other infrastructure (18). Government in their resolution (19 March 2004) issued instruction to the Public Sector Undertakings/Urban Local Bodies/Co-operative Societies etc, who had borrowed or intended to borrow against Government guarantees to open an Escrow Account in a Nationalised Bank for timely repayment of guaranteed loans. As on 31 March 2013, Escrow Accounts have been opened by only 12 out of 161 such institutions.

Though no law has been enacted under Article 293 of the Constitution laying down maximum limits for such guarantees, the State Government imposed (November 2002) an administrative limit in Finance Department Resolution No.52214/F, dated 12 November 2002 prescribing that the total outstanding guarantee as on 1 day of April every year was not to exceed hundred *per cent* of the State's Revenue Receipts of the 2nd preceding year (as per the books of account maintained by Principal Accountant General (A & E) Odisha). As per the above, the guarantee position was well within the norms laid down in the said resolution by ₹ 19452 crore, ₹ 20713 crore and ₹ 26470 crore 2010-11, 2011-12 and 2012-13 respectively.

To provide for sudden discharge of State's obligation on guarantee, Twelfth Finance Commission (TwFC) recommended that States should set up Guarantee Redemption Fund through earmarked guarantee fees. The Government has set up a "Guarantee Redemption Fund" during 2002-03 to meet the contingent liabilities arising out of the total outstanding liabilities. However, there was no transaction since 2008-09 though there were guarantee commission receipts and expenditure on account of discharge of guarantee obligation. As on 31 March 2013, ₹ 480 crore remained invested in the fund.

Further, in consideration of the guarantee given by the Government, the institutions in some cases are required to pay guarantee commission at rates varying from 0.01 per cent to one per cent. As per information supplied to Audit, Guarantee Commission or fee of ₹ 271.32 crore was in arrear from various sectors as shown in **Table 1.30**.

Table 1.30: Guarantee Commission received/to be received by the Government.

(₹ in crore)		
Name of the Sector	Commission Received	Commission to be Received
Power	77.45	201.51
Co-operatives	1.52	3.77
Irrigation	0.16	0.16
State Financial Corporation	2.86	8.48
Housing and Urban Development	26.68	40.93
Roads and Transport	1.84	1.84
Other Infrastructure	4.10	13.38
Any Other	0	1.25
TOTAL	114.61	271.32

Source: Finance Accounts 2012-13, Government of Odisha.

The State Government has also taken a number of steps to enhance the credibility of the State finances in the financial market. One such measure was discharging the State Government guarantees through one time settlement (OTS). So far, the State Government have paid ₹744.99 crore under OTS schemes to discharge guarantee liabilities arising out of the default loanee organisations. *During the year 2012-13, the Government have not invoked any guarantee and also not issued any letter of comfort.* Government stated (November 2013) that opening of Escrow Account is made mandatory before issuing any fresh Government Guarantee to an organization.

Government's reply is not tenable as only 12 out of 161 Institutions have opened Escrow Account as of March 2013.

1.10.4 Transactions under Reserve fund

Twelfth Finance Commission has recommended that State should set up Sinking Funds for amortization of all loans including loans from banks, liabilities on account of National Small Savings Fund etc. and should not be used for any other purpose, except for redemption of Loans. Guarantee Redemption Fund is meant for discharge of the states' obligations on Guarantee.

- i) **Sinking Fund for amortization of Market Loan:** The fund has been constituted for amortization of loans received from Life Insurance Corporation (LIC) of India. Every year an amount of ₹ 0.07 crore is transferred to the Reserve fund under the Major Head 8222-Sinking fund-01-Appropriation for Reduction or Avoidance of Debt by debiting 2048-Appropriation for Reduction or Avoidance of Debt. This year no amount has been transferred to the fund as the available balance at the credit of the fund exceeded the outstanding loan availed from LIC of India.
- ii) **Consolidated Sinking Fund:** The fund has been constituted with effect from 2002-03 for discharging liabilities arising out of huge open Market Borrowings in shape of Principal and Interest to avoid default. This is in addition to the existing sinking fund as at (i) above.

During the year an amount of ₹ 500 crore has been transferred to the fund by debiting 2048- Appropriation for Reduction or Avoidance of Debt. The balance at credit of the fund as on 31 March 2013 is ₹ 5043 crore.

iii) Guarantee Redemption Fund: Guarantee Redemption Fund was constituted in the year 2002-03 as per recommendation of the Finance Commission with a corpus of ₹ 200 crore. The balance at the credit of the fund as on 31 March 2013 is ₹ 479.99 crore. The Government of Odisha has discharged guarantee liabilities for ₹ 744.99 crore by charging to different functional loan major heads at the end of 2012-13 without reimbursing any amount from the redemption fund. This amount will be charged to guarantee redemption fund only when the loan against the entity becomes irrecoverable.

iv) State Disaster Response Fund: As per recommendation of the Thirteen Finance Commission the State Disaster Response Fund was constituted w.e.f. 2010-11. The balance at the credit of the fund as on 31 March 2013 is ₹184.32 crore.

1.10.5 Inoperative Reserve Funds

Reserve Fund is created for specific and defined purposes under the Sector 'J' in the accounts of the State Government. These sources of the fund are the contributions or grants from the Consolidated Fund of India or State. After obtaining the vote of the Legislature, the expenditure incurred from the fund is initially accounted for under the Consolidated Fund. On the closure of the account, at the end of the year, the expenditure so incurred is transferred to the fund (Public Account) through an operation of deduct entry in accounts. Funds may be further classified as 'funds bearing interest' and 'funds not bearing interest'. All these funds (whether interest bearing or not) are intended to be used for the purposes for which they are created.

Twenty seven reserve funds have been created and maintained in the accounts of the State Government. Out of the said 27 funds, 21 funds are inoperative or dormant for significant periods. The details of 21 major inoperative funds are given in **Table 1.31**.

Table 1.31: Inoperative reserve fund

Sl. No	Major and Minor heads with nomenclature	₹ in lakh)		
		Balance as on 31.03.2013		Year of last transaction
1.	8011-Insurance and Pension Funds 105-State Government Insurance Fund	Cr.	0.07	2003-04
2.	8012-Special Deposit and Accounts 123-Special Deposit for employees Provident Fund Scheme (Administration Fund)	Cr.	1.63	2002-03
3.	8013-Other Deposits and Accounts 01-Deposit Schemes for Retiring employees 101-Deposit Scheme for Retiring Govt. Employees, 1989	Cr.	38.81	1997-98
4.	8115-Depreciation/Renewal Reserve Fund 103-Depreciation Reserve Funds-Govt. Commercial Departments and Undertakings			
	Hirakud Dam Project Stage-I &II	Cr.	3,20.08	1987-88
	Duduma Transmission Scheme	Cr.	20.93	1987-88
	Hirakud Power Utilisation Scheme	Cr.	16.04	1987-88
	Cuttack Thermal Scheme	Cr.	19.41	1987-88
	Baripada Electricity Supply Scheme	Cr.	4.00	1987-88
	Town Electrification Scheme Group-I	Cr.	1.70	1987-88
	Town Electrification Scheme Group-II	Cr.	3.34	1987-88

Sl. No	Major and Minor heads with nomenclature	Balance as on 31.03.2013		Year of last transaction
	Electrification of Small Towns and Rural Areas, Group-III	Cr.	6.47	1987-88
	Expansion of Power facilities	Cr.	5.59	1987-88
	Talcher Thermal Scheme	Cr.	84.52	1987-88
5.	8121-General and Other Reserve Fund 101-General and Other Reserve Funds-Govt. Commercial Departments and Undertakings.	Cr.	1.88	1996-97
6.	8229-Development and Welfare Funds 103-Development Funds for Agricultural purposes 109-Co-operative Development Funds, State Co-operative Development Fund 123-Consumer Welfare Fund	Cr.	11.24	1967-68
		Cr.	2.00	1959-60
		Cr.	25.24	2004-05
7.	8235-General and Other Reserve Funds 102-Zamindari Abolition Fund 103-Religious and Charitable Endowment Funds 200-Other Funds: - Guarantee Reserve Fund, Passengers Amenities Reserve Fund	Cr.	59.19	1994-95
		Cr.	1.51	1983-84
		Cr.	2,50.28	1997-98
		Cr.	6.00	1982-83
TOTAL			8,79.93	

Source: Finance Accounts of Government of Odisha 2012-13 (Volume-1)

All these funds (whether interest bearing or not) intended to be used for the purposes for which they are created, were not utilised for the purpose intended. The credit balances are debt liability of the Government on which interest is paid by the Government to the fund if the fund is interest bearing. The funds at sl. no 4 and 5 were interest bearing fund. The above reserve funds remained inoperative for periods ranging from seven to 53 years. Since the funds were inoperative and rolling for years together, the State Government should take appropriate steps to review all such funds and if the purpose for which it was created ceased to exist, transfer the balances to the Consolidated Fund.

Government stated (November 2013) that all the concerned departments have been requested to review the continuance of the inoperative Reserve Funds and recommend for their closure

1.11 Debt Sustainability

Debt management of the State Government is dealt in Finance Department of the Government by a specific branch. Specific policy/strategy for debt management, if any adopted by the State Government, was not found to be on record.

Apart from the magnitude of the debt of the State Government, it is important to analyze various indicators that determine the debt sustainability¹⁰ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation¹¹; sufficiency of non-debt receipts¹²; net availability of borrowed funds¹³;

¹⁰ Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt

¹¹ A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilise eventually. On the other

interest burden payments (measured by interest payments to Revenue Receipts ratio) and maturity profile of State Government securities. **Table 1.32** analyses the debt sustainability of the State Government according to these indicators for the period of three years beginning from 2010-13.

Table 1.32: Debt Sustainability: Indicators and Trends

(₹ in crore)

Indicators of Debt Sustainability	2010-11	2011-12	2012-13
Debt Stabilisation (Quantum Spread + Primary Deficit)	8929	9657	8458
Sufficiency of Non-debt Receipts (Resource Gap)	1608	1280	(-)619
Net Availability of Borrowed Funds	(-)1654	(-)3124	(-)3417
Burden of Interest Payments (IP/RR Ratio)	0.09	0.06	0.06
Maturity Profile of State Debt (In Years)			
0 – 1	2265	2678	2299
1 – 3	5079	5375	5552
3 – 5	5174	4622	3822
5 – 7	3143	2585	2670
7 and above	9928	9353	8970

Source: Finance Accounts of Government of Odisha for respective years

During 2010-13, quantum spread together with primary deficit consistently remained positive resulting in a continuous decline in debt/GSDP ratio from 19 per cent in 2011-12 to 17 per cent in 2012-13. This is a positive sign that debt is tending to be stable.

Another indicator for debt stability and its sustainability is the adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. Negative resource gap indicates non-sustainability of debt while positive resource gap indicates sustainability of debt. Trends in **Table 1.32** reveal that the Government was experiencing positive resource gap during 2010-12. However it again turned into negative of ₹ 619 crore during 2012-13 indicating non-sustainability of debt which needs to be addressed.

Debt sustainability of the State also depends on (i) the ratio of the debt redemption (Principal plus Interest Payments) to total debt receipts and (ii) application of available borrowed funds. The ratio of debt redemption to debt receipts indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds. The solution to a situation of debt trap lies in proper application of borrowed funds, i.e. (a) not using for financing Revenue Expenditure and (b) being used efficiently and productively for Capital Expenditure which either

hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.

¹² Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

¹³ Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.

provides returns directly or results in increased productivity of the economy in general.

During the current year, the Government repaid principal plus interest on account of internal debt of ₹ 4042 crore, Government of India loans of ₹ 965 crore and also discharged other obligation of ₹ 3291 crore, as a result of which payments exceeded the receipts during the year. Throughout the period 2010-13, the debt repayment was higher than fresh borrowings resulting in negative net availability of borrowed funds. As far as the burden of interest payment is concerned, the state is in a comfortable position because the ratio of interest payment to Revenue Receipts is only 0.06.

Debt Profile

A time series analysis of per capita debt for five years from 2008-09 to 2012-13 is given in **Table 1.33**.

Table 1.33 : Per capita debt profile of the State

Year	Outstanding Fiscal liabilities (₹ in crore)	Population (in crore)	Per Capita Debt (in Rupees)
2008-09	39168	4.06	9647
2009-10	40613	4.11	9882
2010-11	42191	4.17	10118
2011-12	42467	4.22	10063
2012-13	43344	4.28	10127

Source: Economic Survey 2012-13 of Government of Odisha.

1.12 Fiscal Imbalances

Three key fiscal parameters - Revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government Account represents the gap between its expenditure and receipts. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of Revenue and fiscal deficits for the financial year 2012-13.

1.12.1 Trends in Deficits/Surpluses

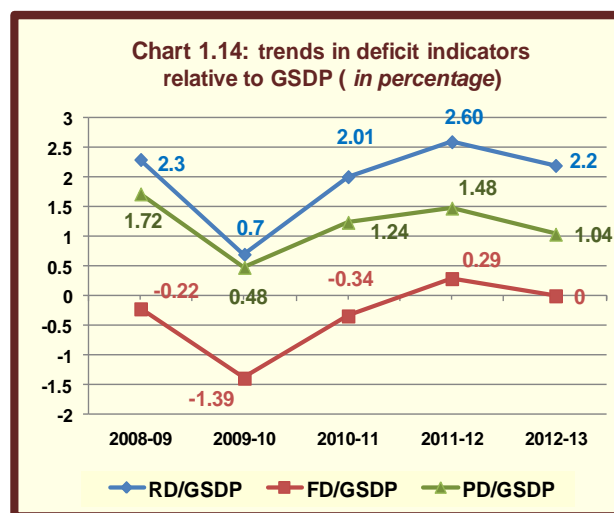
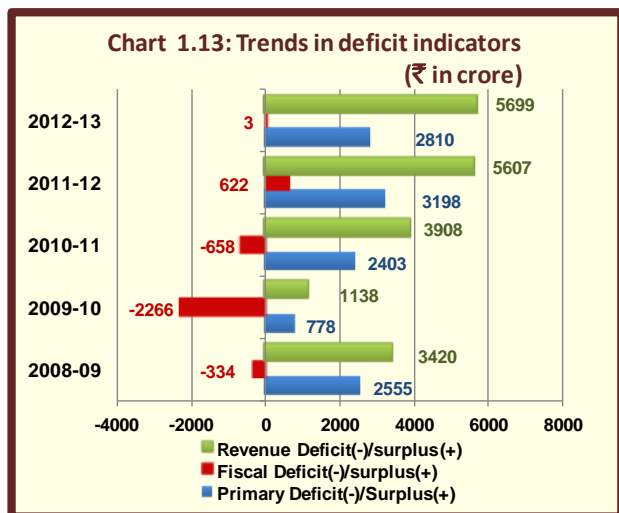
Table 1.34, **Chart 1.13** and **1.14** present the trends in deficits/surpluses indicators over the period 2008-13.

Table 1.34: Deficits/Surpluses

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue deficit (-)/ surplus(+) (₹ in crore)	(+) 3420	(+)1138	(+)3908	(+)5607	(+)5699
Fiscal deficit (-)/ surplus(+) (₹ in crore)	(-) 334	(-)2266	(-)658	(+)622	(+)3
Primary deficit (-)/ surplus(+) (₹ in crore)	(+) 2555	(+)778	(+)2403	(+)3198	(+)2810

	2008-09	2009-10	2010-11	2011-12	2012-13
RD/GSDP (per cent)	(+) 2.30	(+)0.70	(+)2.01	(+)2.60	(+)2.20
FD/GSDP (per cent)	(-) 0.22	(-)1.39	(-)0.34	(+)0.29	(+)0.00
PD/GSDP (per cent)	(+) 1.72	(+)0.48	(+)1.24	(+)1.48	(+)1.09

Source: Finance Accounts of Government of Odisha for respective years



Revenue surplus

Revenue surplus represents the difference between Revenue Receipts and Revenue Expenditure. Revenue surplus helps to reduce the borrowings. In 2005-06, after a gap of 22 years, the State was able to attain a Revenue surplus of ₹ 481 crore and continued to be a Revenue surplus State. In 2012-13, Revenue surplus increased by ₹92 crore (two per cent) over the previous year. Thus, the achievement was in line with the State’s FRBM (Amendment) Act, 2011 which prescribed reduction of Revenue deficit to zero for the financial year 2011-12 onwards.

Over Statement of Revenue Surplus

As in the previous years, during the current year also an amount of ₹ 18 crore was received as Grants-in-Aid from Central Road Fund which has been credited to the Major Head 1601-Grants-in-Aid from Central Government-02-105-Grants from CRF. In the absence of any Budget Provision under Demand No. 7-3054-Roads and Bridges this amount could not be transferred to the Public Account (8449-Other Deposits-103-Subvention from Central Road Fund) in terms of instructions contained in the note (1) (B) under the Major head 8224-Central Road Funds in the “List of Major and Minor Heads of Account of Union and States”. This resulted in the overstatement of Revenue surplus of the State to that extent.

Government stated (November 2013) that in terms of the instructions contained in the list of Major & Minor Heads, receipts from Central Road Fund is to be credited to the Major Head “1601- grant-in-aid from Central Government”. This receipt will be transferred to the Major Head ‘3054- roads & Bridges’. The expenditure made against the subvention received from Central Road Fund will be accounted for under the

appropriate Revenue/ Capital Major Head and set off by transfer of equivalent sum from the deposit head ('8449- Other Deposits-Subventions from Central Road Fund'). This Procedure will be made operational in the Supplementary Statement of Expenditure 2013-14.

The reply is not tenable as despite the commitment made by Government (November 2012) that the above misclassification would be rectified in the supplementary Budget, no rectification was done.

Fiscal surplus/deficit

Fiscal deficit comprises the total borrowings of the Government. Fiscal deficit during 2008-09 to 2010-11 turned into fiscal surplus of ₹ 622 crore during 2011-12. Fiscal surplus decreased to ₹ three crore during 2012-13. The State was able to maintain fiscal surplus during the current years mainly due to huge surplus available in Revenue account. This was well within the State's FRBM (Amendment) Act, 2012 target of fiscal deficit not more than three *per cent* of GSDP.

Primary surplus

The primary surplus of the State increased from ₹ 2555 crore in 2008-09 to ₹ 2810 crore in 2012-13. However, the primary surplus decreased by ₹ 388 crore during 2012-13 over the previous year.

1.12.2 Components of Fiscal Deficit/Surplus and its Financing / Investing Pattern

The financing / investing pattern of fiscal deficit/ surplus underwent a compositional shift as reflected in the **Table 1.35**.

Table 1.35: Components of Fiscal Deficit/Surplus and its Financing/Investing Pattern

(₹ in crore)

Particulars		2008-09	2009-10	2009-10	2010-11	2012-13
Decomposition of Fiscal Deficit		(-)334	(-)2266	(-)658	622	3
1	Revenue surplus	3420	1138	3908	5607	5699
2	Capital Expenditure	(-)3779	(-)3648	(-)4285	(-)4496	(-)5622
3	Net Loans and Advances	25	244	(-)281	(-)489	(-)74
Financing Pattern of Fiscal Deficit*/Surplus						
1	Market Borrowings	(-)670	(-)571	(-)623	(-)1046	(-)1308
2	Loans from GoI	74	(-)247	(-)636	(-)314	(-)70
3	Special Securities Issued to National Small Savings Fund (NSSF)	67	610	1023	26	115
4	Loans from Financial Institutions	189	369	420	360	(-)37
5	Small Savings, PF etc	459	1138	1223	426	691
6	Reserve fund	(-)52	1	17	269	-107
7	Deposits and Advances	576	145	154	554	1594
8	Suspense and Misc	(-)522	1595	(-)809	(-)1290	(-)460
9	Remittances	(-)1.00	41	(-)4	9	4
10	Others					
11	Increase / decrease in cash Balance	174	(-)629	69	12	(-)441
12	Net of Odisha Contingency Fund	40	(-)188	(-)176	372	16

*All these figures are net of disbursements/outflows during the year

Source : Finance Accounts of Government of Odisha for respective years

There was fiscal surplus during 2008-13 since a limit of three *per cent* fiscal deficit has been granted in FRBM Act and by the ThFC.

1.12.3 Quality of Deficit/Surplus

The ratio of Revenue deficit to fiscal deficit and the decomposition of primary deficit into primary Revenue deficit and Capital Expenditure (including loans and advances) would indicate the quality of deficit in the State’s finances. The ratio of Revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of Revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) was not having any asset backup. In the case of Odisha, there has been a Revenue surplus since 2005-06. Bifurcation of the primary surplus (**Table 1.36**) would indicate the extent to which the deficit has been on account of enhancement in Capital Expenditure which may be desirable to improve the productive capacity of the State’s economy.

Table 1.36: Primary deficit/Surplus – Bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary Revenue deficit (-) /surplus (+)	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2008-09	24846	18301	3779	211	22291	6545	2555
2009-10	26786	22248	3648	112	26008	4538	778
2010-11	33310	26307	4285	315	30907	7003	2403
2011-12	40399	32084	4496	621	37201	8315	3198
2012-13	44079	35431	5622	216	41269	8648	2810

Source: Finance Accounts of Government of Odisha for respective years

During 2008-09 to 2012-13, non-debt receipts increased from ₹ 24846 crore to ₹ 44079 crore (77 *per cent*) against an increase of 94 *per cent* in Primary Revenue Expenditure.

Analysis of the factors resulting into primary surplus of the State during 2008-13 revealed that the State was experiencing primary surplus during these years. In other words, non-debt receipts of the State were enough to meet the primary expenditure¹⁴ requirements in the Revenue account; rather some receipts were still left to meet the expenditure under the capital account. This was a very healthy trend in the State’s finances. However, as mentioned above, the actual Capital Expenditure incurred does not reflect that this surplus was adequately utilized.

1.13 Public Private Partnerships (PPP)

Recourse to the PPP mode for project financing is generally encouraged because it frees valuable fiscal space for the provision of public goods in areas where such financing may not be forthcoming. PPP projects in sectors that come under the purview of the Government of Odisha covers 19 infrastructure sectors such as Roads, Ports, Airports, Industrial parks, Inland Container Depot and Logistic hubs, water Supply, Power Generation, Solid Waste Management, Railway related projects and agriculture production and marketing etc. The Government has not entered five of the

¹⁴ Primary expenditure of the State defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year.

sectors envisaged in the policy so far. The Government framed their PPP Policy in August 2007 to support private investment, particularly in the poor infrastructure sector, to utilise the efficiency and innovativeness of the private investors, besides tapping their capital. In terms of the main types of PPP contracts, almost all contracts have been of the build, operate and transfer (BOT) type or build, own, operate and transfer (BOOT) type (either toll or annuity payment models) or close variants.

The State Government has targeted to attract investment of at least ₹ 5000 crore in Public Infrastructure through PPP during 12th Plan Period (2012-17). For this purpose, a Project Development and Facility Centre in Planning & Coordination Department is set up with allocation of ₹10 crore and a Viability Gap Fund of ₹ 40 crore is proposed in the budget for 2012-13.

The status of the PPP in Odisha as on 31 March 2013 is given in **Table 1.37** below:

Table 1.37: Status of PPP projects in Odisha as of 31 March 2013

Sector	Operational		Under Implementation		Under Pipeline		Total	
	Number	Cost	Number	Cost	Number	Cost	Number	Cost
Urban Development	3	150	4	420	10	1204	17	1774
Health	11	54	Nil	Nil	1	330	12	384
Finance & Revenue	1	72	Nil	Nil	1	128	2	200
Transport	3	4861	5	10379	1	500	9	15740
Industrial Infrastructure	2	165	3	720	Nil	Nil	5	885
Roads	1	48	Nil	Nil	11	3428	12	3476
Tourism	5	52	8	20	4	167	17	239
Education	14	35	Nil	Nil	3	47	17	82
Power Transmission	Nil	Nil	1	108	4	947	5	1055
Total	40	5437	21	11647	35	6751	96	23835

A total 96 number of PPP projects in Odisha in different sector are given in **Appendix-I.8**. Forty projects have been completed, 21 are in implementation/construction stage and the rest 35 projects are still in the pipeline.

With a view to incentivising PPP, the Government of India has formulated the draft Public Private Partnership (Preparation, Procurement and Management) Rules, including rules for regulating expenditure, appropriation of Revenues and contingent liabilities in PPP projects and proposed delegation of powers in this regard. The draft rules have been placed on the website for wider consultation with the stakeholders.

As noted by the ThFC, PPPs create explicit and implicit obligations of the public entity that is involved in them. While explicit contingent liabilities in the form of stipulated annuity payments over a multi-year horizon may be spelt out, implicit contingent liabilities are obligations to compensate the private sector partners for contingencies such as changes in specifications, breach of obligations and/or early termination of contracts which may be difficult to quantify. As recommended by the ThFC for the Central Government, there is also a need for the States to quantify expenditure obligations relating to PPP projects in their medium-term fiscal policy statements with an increasing number of them adopting the PPP mode of project implementation.

There is a need of proper planning to gear up the PPP activities from the experience gained from eleventh plan period. Also there is a need to appropriately disclose the quantum of resources planned to be generated through PPP route in the budget and the Finance Accounts.

1.14 Follow up of observations/recommendations by Public Accounts Committee

Stand alone Report on State Finances was first laid before the Odisha Legislative Assembly during July 2010. The Report containing the audit observations on State Finance are presented separately. The Public Accounts Committee in their report discussed on the excess expenditure over voted grants and charged appropriation as revealed in the Report of the C&AG of India for the year from 1996-97 to 2009-10. Excess expenditure over voted Grants and charged Appropriations incurred during the year 1996-97 to 2009-10 for an amount of ₹ 9716.74 crore by the State Government, were presented and passed by the State Legislature (December 2012).

Table 1.38: Action Taken Note on C & AG's Report

Particular		2008-09	2009-10	2010-11	2011-12
No. of Paras		24	24	27	29
No. of Departments		38	38	38	38
ATN submitted by the Government	No. of Para	1	1	--	--
	No. of Department**	3	4	--	--
Discussion made by PAC	Year of the Report	1996-2010	1996-2010	--	--
	No. of Para	1	1	--	--
Recommendations made by PAC		3	4	--	--

* Stand Alone Report on State Finance Report laid before the Odisha Legislative Assembly with effect from 22.07.2010

** 2008-09-Odisha Legislative Assembly, Co-operation Dept, Rural Development Dept
2009-10-Finance Dept, Rural Dev. Dept, Public Enterprise Dept., Panchayati Raj Dept.

Table 1.38 exhibits the number of recommendations made by the committee on C&AG Report. No PAC discussion was made of the State Finance Report for the year 2010-11 and 2011-12.

1.15 Conclusion and Recommendations

- GoI directly transferred substantial amount of Grants-in-aid to the State implementing agencies for implementation of different schemes in the State. This is fraught with the risk of poor oversight. There is no single agency monitoring the use of these funds and no data is readily available on the amount spent in major flagship and other important schemes (**Paragraph 1.3.2**).

Funds flowing directly to the implementing agencies through off-budget route inhibit FRBM Act requirements of transparency and escape accountability. The State Government has to put in place an appropriate mechanism to ensure proper accounting of these funds.

- During 2012-13, the annual growth rate of Revenue Receipts has come down to nine per cent against 21 per cent during 2011-12 (**Paragraph 1.4**).

Government should mobilise additional resources through Tax and Non-Tax Revenue by expanding the tax base.

- Non-Plan Revenue Expenditure (NPRE) as a proportion of Revenue Expenditure, increased from ₹ 15882 crore (75 per cent) in 2008-09 to ₹ 26645 crore (83 per cent) in 2012-13. Out of the total increase of ₹ 3578 crore in Revenue Expenditure during the current year over the previous year, increase in NPRE contributed 48 per cent (₹1705 crore) and remaining 52 per cent (₹1873 crore) was the Plan Revenue Expenditure (PRE) (**Paragraph 1.7.4**).

Government may initiate suitable measures to reduce the non-plan Revenue Expenditure so that more funds are available for assets creation by way of increased Capital Expenditure.

- Capital Expenditure of the State as a percentage to total expenditure decreased from 15 per cent in 2008-09 to 13 per cent in 2012-13. The Capital Expenditure was 2.17 per cent of GSDP during 2012-13 as against the projection of 2.72 per cent in the Budget Estimates (**Paragraph 1.7.5**).

Government may strengthen the State's infrastructure for absorbing higher levels of Capital Expenditure for asset formation and sustainable development of the State.

- Financial results of Major and Medium Irrigation projects with a Capital Expenditure of ₹ 3967.68 crore at the end of March 2013 showed that the schemes suffered a net loss of ₹ 239.96 crore (**Paragraph 1.9.1**).

Government may take steps to levy user charges so as to recover interest charges also.

- A number of PSUs and Corporations with investment (equities) are not giving return to the Government in form of dividends. These include 53 non-working PSUs (**Paragraph 1.9.3**).

The State Government may draw up a road map for closure of non-working PSUs as recommended by Thirteenth Finance Commission.

- Although a substantial amount (₹ 3977 crore) of loans was paid to various PSUs etc., interest of ₹ 16 crore only was received from them during 2012-13 as a result of which interest receipts to outstanding loans stood at 0.40 per cent during 2012-13 (**Paragraph 1.9.4**).

Government may, therefore, take effective action to realise the interest dues from the undertakings as per the terms and conditions of the payment of loans by way of restructuring the loans so as to make the operation of these PSUs profitable.

CHAPTER-II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the actual expenditure, voted and charged, of the Government for each financial year compared with the amounts of voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual Capital and Revenue Expenditure on various specified services vis-à-vis those authorised by the Appropriation Acts in respect of both charged and voted items of budget. Appropriation Accounts, thus, facilitate management of finances and monitoring of budgetary provisions and are, therefore, complementary to Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions. It also seeks to assess to what extent the Government/Executive has been able to manage the planned and intended allocation of its resources amongst various departments.

2.1.3 As per the Odisha Budget Manual (OBM), the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the detailed estimates called “Demand for Grants”. In the preparation of the budget, the aim should be to achieve as close an approximation to the actual as possible. This demands the exercise of the utmost foresight in both estimating revenue and anticipating expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and neither larger nor smaller. A saving in an estimate constitutes as much of a financial irregularity as an excess in it. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees etc.

Deficiencies in the management of budget and expenditure and violation of the OBM noticed in audit have been discussed in the subsequent paragraphs.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2012-13 against 40 grants and four appropriations was as given in **Table 2.1**:

Table 2.1: Summarised position of Actual Expenditure vis-à-vis Original/ Supplementary provisions

(₹ in crore)

	Nature of expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Expenditure	Savings (-)/ Excess (+)
Voted	I Revenue	37080.99	3566.84	40647.83	34971.89	(-)5675.94
	II Capital	7032.20	352.30	7384.50	5617.80	(-)1766.70
	III Loans and Advances	361.55	0.60	362.15	216.02	(-)146.13
Total Voted		44474.74	3919.74	48394.48	40805.71	(-)7588.77
Charged	IV Revenue	5073.94	2.57	5076.51	3356.39	(-)1720.12
	V Capital	10.73	2.55	13.28	9.88	(-)3.40
	VI Public Debt- Repayment	3195.74	7.55	3203.29	3179.86	(-)23.43
Total Charged		8280.41	12.67	8293.08	6546.13	(-)1746.95
Grand Total		52755.15	3932.41	56687.56	47351.84	(-)9335.72

Source: The Odisha Appropriation Act 2012, Finance and Appropriation Accounts 2012-13, Govt. of Odisha

The expenditure figures were gross figures without taking into account the recoveries adjusted in accounts as reduction of expenditure under Revenue heads (₹ 90.72 crore) and Capital heads (₹ 5.49 crore). The overall saving of ₹ 9335.72 crore was due to savings in all the 40 grants and two appropriations under Revenue Section and 30 grants and two appropriations under Capital Section.

It is seen from the above table that against the original provision of ₹ 52755.15 crore, expenditure of ₹ 47351.84 crore was incurred, thereby not requiring any supplementary provision, as there was savings of ₹ 5403.31 crore from the original provision which clearly indicates inaccurate estimation of funds and lack of control mechanism.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit revealed that in 17 cases relating to 14 grants and one appropriation, savings exceeded ₹ 10 crore in each case and by more than 20 per cent of total provision (**Appendix 2.1**) amounting to ₹ 5795.20 crore. Out of the above, savings of as large as ₹ 5358.49 crore (92 per cent)¹ occurred in six cases relating to five grants and one appropriation as indicated in **Table 2.2**.

¹ Exceeding ₹ 100 crore in each case

Table 2.2: List of Grants with savings of ₹ 100 crore and above

(₹ in crore)						
Sl. No.	No. and Name of the Grant	Original	Supple- mentary	Total	Actual Expenditure	Savings
Revenue (Charged)						
1	2049-Interest Payments	4511.59	0	4511.59	2807.23	1704.36
Revenue (Voted)						
2	3-Revenue	1731.93	155.49	1887.42	854.17	1033.25
3	5-Finance	7124.55	11.33	7135.88	5586.16	1549.72
Capital (Voted)						
4	16-Planning and Co-ordination	941.42	7.67	949.09	149.10	799.99
5	30-Energy	527.07	33.00	560.07	422.53	137.54
6	39-Employment and Technical Education and Training	182.06	21.45	203.51	69.88	133.63
TOTAL		15018.62	228.94	15247.56	9889.07	5358.49

Source: Appropriation Accounts for the year 2012-13, Government of Odisha.

Reasons furnished by the departments for unspent provision under few major heads of account as reported in Appropriation Accounts are given below:

05-Finance (Revenue-Voted)

- Anticipated savings of ₹ 1105.67 crore under major head “2052- Secretariat-General Services-NP-090-Secretariat-0488-Finance Department”, was due to (i) non-filling of vacant posts and (ii) less requirement of fund.
- Anticipated savings of ₹ 7.50 crore under major head “2054-Treasury and Accounts Administration-NP-095-Directorate of Accounts and Treasuries-2555-13th Finance Commission Grant for setting up a Database for Government Employees and Pensioners”, was due to non-implementation of the Scheme.
- Anticipated savings of ₹ 123.23 crore under major head “2071-Pensions and Other Retirement Benefits-NP-01-Civil-105-Family Pension-1038-Pension and Pensionary Benefits”, was attributed to less requirement without assigning any reason.
- Anticipated savings of ₹ 681.54 crore under major head “2071-Pensions and Other Retirement Benefits-NP-01-Civil-109-Pensions to Employees of State Aided Educational Institutions-1036-Pension and Gratuity for Non-Government teachers of Secondary Schools and Colleges”, was attributed to less requirement without assigning any reason.

39-Employment and Technical Education and Training (Capital -Voted)

- There was anticipated savings of ₹ 108.13 crore under major head “4202-Capital Outlay on Education, Sports, Arts and Culture-CP-SS-02-Technical Education-104-Polytechnics-2463-Establishment of new Polytechnics”, as the actual expenditure came up to the level of ₹ eight crore out of total provision of ₹ 116.13 crore.

The above cases indicate lack of monitoring of the flow of expenditure in the department by the Chief Controlling Officers (CCOs) of such grants as required under Chapters IV and VI of the Odisha Budget Manual (OBM).

The Government stated (November 2013) that instructions would be issued to the concerned grant controlling authorities for recording specific reasons against surrender and savings. Despite a categorical assurance (November 2012) in the last year's Report, excess savings continued to persist.

2.3.2 Persistent Savings

There were persistent savings of more than ₹ 10 crore in 19 cases in 16 grants and in one appropriation during 2008-13 as detailed in **Appendix 2.2**. The savings ranged between ₹ 63.84 crore and ₹ 1704.36 crore during the year 2012-13. Persistent savings in a substantial number of grants over the years is indicative of over assessment of requirement of fund by the Government in Appropriation Act repeatedly without adequately scrutinising the need and examining the flow of expenditure. The CCOs of these grants need to be alerted by the Finance Department to remedy the situation and the savings should be surrendered as soon as it is anticipated, so that the same amount could be utilised where necessary.

The Government stated (November 2013) that instructions would be issued to the concerned grant controlling authorities.

2.3.3 Expenditure without provision of funds

As per the provisions of OBM, expenditure should not be incurred on a scheme/service without provision of funds. However, expenditure of ₹ 28.70 crore was incurred in 22 sub-heads (seven grants) in absence of any provision as detailed in **Appendix 2.3**.

Expenditure without provision of fund was irregular and un-authorised.

2.3.4 Drawal of funds to avoid lapse of budget grant

According to the provisions of Odisha Treasury Code (OTC) Volume I (Rule 242) and OBM (Rule 141), no money should be drawn from the treasury unless it is required for immediate disbursement. Besides, it is not permissible to draw money from treasury for keeping in banks or under Civil Deposits to prevent the lapse of budgetary grants. The ThFC also recommended that the Public Accounts should not be treated as an alternative to the Consolidated Fund and Government expenditure should be directly incurred from the Consolidated Fund avoiding transfer from Consolidated Fund to the Public Accounts.

As per the Finance Accounts for 2012-13, minor head 8443-Civil Deposit-800-Other Deposit had accumulated balance of ₹ 434.92 crore (credit) at the close of the year (March 2013). During the year, ₹ 2.34 crore were added to the minor head against withdrawal of ₹ 127.14 crore. The accumulated balances at the close of the year should have been written back to the respective major heads of account under the Consolidated Fund from which these were originally transferred, as the drawl from the above minor head of account in the subsequent year(s) neither required legislative

approval nor the expenditure incurred subjected to legislature scrutiny through the Appropriation Account mechanism.

2.3.5 Excess expenditure over provisions relating to previous years requiring regularisation by the State Legislature

According to Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. Excess expenditure amounting to ₹ 580.28 crore for the periods from 2010-11 to 2011-12 is yet to be regularised as detailed in **Table 2.3** given below.

Table 2.3: Excess expenditure over provisions relating to previous years requiring regularisation

Year	Number of		Grant/ Appropriation numbers	Amount of excess (₹ in crore)
	Grants	Appropriations		
2010-11	4	1	07-Works, 22-Forest and Environment, 23-Agriculture, 28-Rural Development, 6004-Loans and Advances from Central Government	428.51
2011-12	1	1	05-Finance, 6004 - Loans and Advances from Central Government	151.77
Total	5	2		580.28

Source: Appropriation Accounts for the year 2012-13, Government of Odisha.

However, excess expenditure over voted Grants and charged Appropriations, incurred during the year 1996-97 to 2009-10, for an amount of ₹ 9716.74 crore by the State Government were presented and passed by the State Legislature (December 2012).

2.3.6 Unnecessary/Excessive supplementary provision

Supplementary provision aggregating to ₹ 1350.01 crore (₹ one crore or more in each case) obtained in 28 cases (22 grants), during the year 2012-13 proved unnecessary as the actual expenditure (₹ 27268.17 crore) did not come up to the level of original provision (₹ 31999.14 crore) as detailed in **Appendix-2.4**. This indicates that the CCOs were not aware of the actual requirement of funds for the remaining period of the financial year due to failure to monitor the flow of expenditure through the monthly expenditure control mechanism prescribed in Chapters IV and VI of the OBM.

Similarly, supplementary provision aggregating to ₹ 2519.32 crore (₹ one crore or more in each case) proved excessive by ₹ 763.34 crore over the total required supplementary provision of ₹ 1755.98 crore in 14 cases under 12 grants (one crore or more in each case) as detailed in **Appendix-2.5**.

The Government stated (November 2013) that instructions would be issued by Finance Department to the concerned grant controlling authorities. The Government had also previously (November 2012) assured the same, but unnecessary/excessive supplementary provisions continued to be made during the current year also.

2.3.7 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed.

Re-appropriations proved excessive or insufficient and resulted in savings/excess of over ₹ 10 lakh in 151 sub-heads, of which excess / saving was more than ₹ one crore in 68 sub-heads (savings of ₹ 248.06 crore in 17 sub-heads under 7 grants and excess of ₹ 457.42 crore in 51 sub-heads under 11 grants) as detailed in **Appendix- 2.6**.

The Government stated (November 2013) that instructions would be issued by the Finance Department to the concerned grant controlling authorities.

2.3.8 Defective re-appropriation/Re-appropriations on the last day of the financial year

According to Rule 139 of OBM, reasons for additional expenditure and savings should be explained in the re-appropriation statement which should reach the Finance Department by 10 March at the latest. As per the records of the office of the Principal Accountant General (A&E), during 2012-13, 852 re-appropriation orders amounting to ₹ 2830.80 crore were issued, out of which four orders on defective re-appropriation amounting to ₹ 2.84 crore were issued during the year as given in **Table 2.4** below:

Table 2.4: Defective re-appropriations during the financial year

Sl No	Name of the Department	Head of Account from where re-appropriation was made	Amount (₹ in crore)	Order No./ Date	Reasons
1	12-Health and Family Welfare	4216-SP-DS 4210-SP-SS	2.00	10702/ 26.03.2013	If the amount of re-appropriation is accounted for it would have resulted in minus balance under the concerned head.
2	19-Industries	3451-NP 2852-SP	0.13	614/ 18.02.2013	Re-appropriation has been made between two different plans which is not permissible under Rule-115 of Guide to Budget Manual.
3	20-Water Resources	2700	0.70	8809/ 15.03.2013	Amount of re-appropriation differs from that sanctioned by the department.
4	20-Water Resources	2701	0.01	7620/ 07.03.2013	Amount of re-appropriation differs from that sanctioned by the department.
TOTAL			2.84		

Source: Information furnished by the office of the Principal Accountant General (A&E), Odisha

Again two re-appropriation orders aggregating ₹ 9.84 crore were issued by the Finance Department on 31 March 2013, the last day of the financial year where there was no scope for expenditure during that year. It was also noticed that issue of such belated re-appropriation orders persisted during the year despite the irregularity being pointed out in the earlier Audit Reports.

The Government stated (November 2013) that instructions would be issued by Finance Department to the concerned grant controlling authorities. The Government had also previously (November 2012) assured the same, but such re-appropriations were again noticed during the year.

2.3.9 Substantial surrenders

Surrenders of 100 per cent of total provision of ₹ 1242.85 crore were made under 28 sub heads (₹ 10 crore or more in each case) under seven grants representing different schemes / programmes / projects and activities which are given at **Appendix-2.7**. The surrenders were attributed to non-release/non-receipt of central share (eight cases), non-release of grants arising out of non-submission of pending utilization certificates (one case), drawal of the amounts from the related heads for their incorporation under concerned Revenue major heads (nine cases), direct release of funds by Government of India to the executing agency etc. (one case), less requirement and non finalization/receipt of project proposals (four cases), unspent balances refunded through challan deposit (one case) and no reasons were assigned in the remaining (four) cases.

2.3.10 Surrender in excess of savings

In case of five grants, as against savings of ₹ 2537.63 crore (₹ 25 lakh or more in each case) as detailed in **Appendix-2.8**, the amount surrendered was ₹ 2571.74 crore resulting in excess surrender of ₹ 34.11 crore. The surrender indicated that the departments failed to exercise necessary budgetary controls of watching the flow of expenditure through the monthly expenditure statements.

The Government stated (November 2013) that instructions would be issued by Finance Department to the concerned grant controlling authorities. The Government had also previously (November 2012) assured the same, but such surrenders in excess of savings were noticed during the year.

2.3.11 Anticipated savings not surrendered

As per Rule 146 of OBM, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. A review of saving of grants at the end of the 2012-13 and surrender thereof by the departments concerned revealed the following:

- In case of five departments with savings of ₹ 1.19 crore, no amount was surrendered by the department concerned.
- An analysis of saving of more than ₹ one crore remained to be surrendered revealed that there were 18 such cases (13 departments) and the departments partially refunded saving resulting in retention of ₹ 1134.01 crore (36 per cent of the total savings of ₹ 3179.97 crore in these cases) as per details given in **Appendix 2.9**.
- Besides, as per information compiled by the office of the Principal Accountant General (A&E), Odisha, there were surrender of funds under different major heads of accounts in excess of ₹ 10 crore on the last two working days of the financial year i.e. on 30 and 31 March 2013 in 66 cases aggregating to ₹ 6850.77 crore covering 12 per cent of the entire budget (**Appendix 2.10**).

Thus, the Chief Controlling officers and the Heads of the Department overlooked the budgetary controls laid down in the OBM.

The Government stated (November 2013) that instructions would be issued by Finance Department to the concerned grant controlling authorities.

2.3.12 Rush of expenditure

According to Rule 147 of OBM, rush of expenditure in the closing month of the financial year will ordinarily be regarded as breach of financial regularity, which should be avoided. Contrary to this, in respect of 30 schemes listed in **Appendix 2.11**, Revenue / Capital Expenditure exceeding ₹ 10 crore and also more than 50 per cent (in each case) of the total expenditure for the year was incurred in March 2013. **Table 2.5** also represents the sub-heads (seven cases) where 100 per cent of expenditure was incurred during the last month of the financial year. Expenditure, which to be spread throughout the year was incurred in the last month of the year.

Table 2.5: Cases of rush of expenditure towards the end of the financial year 2012-13

Sl. No.	Grant No.	Major Head	Total expenditure during the year (₹ in crore)	Expenditure during March 2013	
				Amount (₹ in crore)	Percentage of total expenditure
1	11	2225-CP-DS -03-277-2418 -Post Metric Scholarship and Stipend for OBC Students.	17.38	17.38	100
2	21	3055-NP -800-0922 -Miscellaneous	16.17	16.17	100
3	30	4801-SP-DS -06-796-2469 -SCA for Special Programme for KBK district	12.68	12.68	100
4	30	4801-SP-DS -06-800-2469 -SCA for Special Programme for KBK district	14.96	14.96	100
5	30	6801-SP-SS -205-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	77.34	77.34	100
6	30	6801-SP-SS -789-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	27.00	27.00	100
7	30	6801-SP-SS -796-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	30.66	30.66	100
TOTAL			196.19	196.19	100

Source: Monthly Appropriation Reports for the month of March 2013.

Maintaining uniform pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalance and temporary cash crunches due to Revenue Expenditure mismatches during a particular month arising out of unanticipated heavy expenditure in that particular month. Besides, quality of the assets being created out of such expenditure can be maintained if expenditure is incurred in a planned manner.

The Government stated (November 2013) that, if a holistic view of the trend of expenditure in the last quarter and in the month of March is taken, the percentage of expenditure in this part of the financial year show a declining trend. The reply is not tenable as the three grants referred to in **Table 2.6** registered 100 per cent expenditure during the month of March 2013 itself.

2.4 Advances from Contingency Fund

Contingency Fund of the State has been established under the Orissa Contingency Fund Act, 1967 in terms of provisions of Article 267(2) and 283(2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent character, postponement of which, till its authorisation by the Legislature, would be undesirable. The fund is in the nature of an imprest and required to be recouped by obtaining supplementary grants during the first session of Assembly immediately after the advance is sanctioned. Its corpus was enhanced (October 2008) from ₹ 150 crore to ₹ 400 crore. During the year ₹ 15.89 crore was recouped pertaining to previous years.

2.5 Errors in Budgetary Process

The Odisha Budget Manual (Rule 46) requires the Controlling Officers to see that proper estimates are made which should take into account only such payments which are expected to be made during the budget year. The aim is to make the estimates as accurate as possible, not to over-estimate and show large savings at the end of the year.

Implementation of the Budget was not in conformity with the approved Budget leading to large-scale savings under the Revenue (voted) and Capital (voted) sections as under:

- Under Revenue (voted) the original grants and supplementary grants were ₹ 37080.99 crore and ₹ 3566.84 crore respectively aggregating at ₹ 40647.83 crore against which the actual expenditure was ₹ 34971.89 crore resulting in savings of ₹ 5675.94 crore. This was more than the supplementary provision.
- Similarly under Capital (voted), the original and supplementary grants were ₹ 7393.75 crore and ₹ 352.90 crore respectively aggregating ₹ 7746.65 crore against which the actual expenditure was ₹ 5833.82 crore resulting in savings of ₹ 1912.83 crore. This was more than the supplementary provision.

In the above two cases, supplementary provision of ₹ 3566.84 crore in Revenue (voted) and ₹ 352.90 crore in Capital (voted) obtained during the year, proved unnecessary as the expenditure did not come up to the level of original provision as indicated in **Table 2.6**. The above occurred due to marginal expenditure under Revenue and Capital heads, particularly the Capital Expenditure which needs to be suitably augmented for creation of Capital Assets, but the same was not resorted to.

Table 2.6: Actual Expenditure vis-à-vis Original/Supplementary provisions

(₹ in crore)

Sl No	Nature of expenditure	Original Grant/Appropriation	Supplementary Grant/Appropriation	Total	Actual Expenditure	Savings (-)/Excess (+)
1	Revenue (voted)	37080.99	3566.84	40647.83	34971.89	(-)5675.94
2	Capital (voted)	7393.75	352.90	7746.65	5833.82	(-)1912.83
TOTAL		44474.74	3919.74	48394.48	40805.71	7588.77

Source: Odisha Appropriation Act 2012, Finance and Appropriation Accounts 2012-13.

Besides, in the following cases there were injudicious re-appropriations during the year which resulted in excess expenditure / savings.

- In 25² cases, the reduction of provisions through re-appropriation proved injudicious, as there were excess expenditure as indicated in **Appendix 2.6**.
- In six³ cases, the augmentation of funds through re appropriation proved excessive as there were large savings and even in some cases, savings exceeded the re-appropriation provision as detailed in **Appendix 2.6**.

The aim of Budget preparation must be to estimate Revenue and expenditure as accurate as possible, not to overestimate and show large savings at the end of the year. However it was noticed that 16 departments continued to make savings of more than ₹ 10 crore during last five years, despite our repeated comments in the Audit Reports from 2008-09 to 2011-12 as detailed in **Appendix 2.2**.

2.5.1 Unrealistic forecasting of resources

Rule 46 of OBM stipulates that Budget of a State is based on the departmental estimate submitted by the Controlling officers. Both the departmental and the district estimate should always receive careful personal attention of the officers who submit them. They should be neither inflated nor under-pitched, but should be as accurate as possible. However, it was noticed that revised estimate 2012-13 for non-tax Revenue projection was ₹ 6500 crore while actual realisation was ₹ 8078 crore, resulting in upward variation of resources of ₹ 1578 crore, nearly 24 per cent above the original forecast. In this connection trend of revenue projection for last five years (2008-09 to 2012-13) are given in **Table 2.7** below.

Table 2.7: Variation between Revised Estimate and Actuals on Revenue Resources for the periods 2008-09 to 2012-13

(₹ in crore)

Sl No.	Year		Revised Estimate	Actuals	Differences (Column 5-4)
1	2	3	4	5	6
1	2008-09	Tax Revenue	7672	7995	323
		Non-Tax Revenue	2617	3176	559
2	2009-10	Tax Revenue	8920	8982	62
		Non-Tax Revenue	2912	3212	300
3	2010-11	Tax Revenue	10608	11193	585
		Non-Tax Revenue	3317	4780	1463
4	2011-12	Tax Revenue	13399	13443	44
		Non-Tax Revenue	5000	6443	1443
5	2012-13	Tax Revenue	15310	15034	(-)276
		Non-Tax Revenue	6500	8078	1578

Source: Budget at a glance and Finance Accounts for the respective years

It could be seen from the table above that revenue projection of tax and non-tax revenue were made in such a way that the actual achievements were more than the projections as the latter were understated for last five years. This shows that the projections were made in an unrealistic manner. Had the same assessment been done in a realistic manner, there would have been greater impact on plan size/ceiling. In other words, plan size could have been larger and resources thereof could have been utilised towards developmental work as the State needed.

² SI Nos -18, 20, 21, 22, 24, 25, 27, 29, 30, 34, 35, 37, 38, 39, 42, 44, 45, 47, 48, 49, 50, 55, 56, 58 and 64.

³ SI Nos -2, 4, 5, 6, 11 and 12.

2.5.2 Analysis of Cash Management System

Government of Odisha (Finance Department) in their circular (April 2012) implemented Cash Management System in 18 departments. The objectives of Cash Management System were:

- (i) Even pacing of expenditure within the Financial Year
- (ii) Reducing rush of expenditure during last quarter especially in the last month of the financial year
- (iii) Front loading of expenditure in the first three quarters of the financial year so that corrective measures can be taken in the mid year to achieve the fiscal objectives
- (iv) Curb the tendency of parking of funds outside Government Account
- (v) Effective monitoring of expenditure pattern to improve the quality of expenditure and
- (vi) Better ways and means management.

As per circular, the level of expenditure at the end of third quarter was not to be less than 60 per cent and during the month of March, the same should not be more than 15 per cent of the budget provision.

However, it was noticed that out of 18, only one department spent minimum 60 per cent of the budget provision by the end of third quarter, while rest 17 departments failed to achieve the norm during 2012-13. Similarly, eight departments exceeded 15 per cent of the budget provision for the month of March 2013 as indicated in **table 2.8**.

Table 2.8: Analysis of cash management system

(₹ in crore)

Sl No	Grant No/ Deptt	Original Budget Provision	Aprl. 2012- Dec. 2012		March 2013	
			Expenditure during first 3 quarters	Percentage of Expenditure	Expenditure during the month	Percentage of Expenditure
1	7-Works	2258.55	571.10	25	230.83	10
2	10-School and Mass Education	6537.39	1190.82	18	372.39	6
3	11-ST, SC Dev. and Minorities and Other Backward Development	1605.71	621.50	39	287.62	18
4	12- Health and Family Welfare	1820.41	325.76	18	144.61	8
5	13-Housing and Urban Development	1580.49	300.55	19	125.33	8
6	17-Panchayati Raj	2563.82	765.77	30	352.90	14
7	19-Industry	9.93	1.61	16	5.74	58
8	20-Water Resources	3477.79	1230.42	35	695.16	20
9	22-Forest and Environment	591.58	161.26	27	52.78	9
10	23-Agriculture	1526.31	759.51	50	287.41	19
11	28-Rural Development	1720.54	474.04	28	250.21	15
12	30-Energy	542.36	118.29	22	250.44	46
13	31-Handloom, Textile & Handicrafts	129.37	43.95	34	24.55	19
14	33-Fisheries and Animal Resources Development	404.77	46.86	12	19.72	5
15	36-Women & Child Development	2723.69	1783.33	65	598.94	22
16	38-Higher Education	1292.78	114.66	9	78.48	6
17	39- Employment, Technical Education and Training	353.19	60.56	17	54.41	15
18	40-Micro, Small and Medium Enterprises	60.61	7.62	13	9.57	16

Source: Monthly Appropriation Accounts for December 2012 and March 2013

The above indicated that the objective for which Cash Management System was introduced remained un-achieved.

The Government stated (November 2013) that some of the Departments covered under the Cash Management System were allowed to exceed the expenditure limit for the 4th quarter/ March keeping in view the urgency of expenditure. However, the fact remained that such expenditure was in violation of the circular of the Finance Department on Cash Management System.

2.6 Outcome of review of selected grants

Review of the budget proposals, actual expenditure and fund management in respect of Works Department (Grant No - 7) and Housing & Urban Development Department (Grant No - 13) as reported in the Appropriation Accounts revealed the following irregularities:

2.6.1 Short-surrender of savings / belated surrenders

OBM provides (Rule 144 and 146) that all anticipated savings should be surrendered immediately after these are foreseen and latest by 10 March of the financial year without waiting till the end of the year.

During 2012-13, the Works Department (Grant No.7) surrendered ₹ 25.40 crore as against total savings of ₹ 26.24 crore under Revenue (voted) section and ₹ 64.32 crore as against total savings of ₹ 102.04 crore under Capital (voted) section resulting in non-surrender of ₹ 0.84 crore and ₹ 37.72 crore respectively. Similarly, the Housing & Urban Development Department (Grant No.13) surrendered ₹ 98.49 crore as against total savings of ₹ 100.91 crore, resulting in non surrender of ₹ 2.02 crore. Besides, in violation of above provisions of OBM, these amounts were surrendered on 31 March 2013. Thus, the amounts surrendered were not in conformity with the actual savings indicating lack of monitoring of monthly expenditure as provided in the OBM by the CCOs before passing the surrender orders.

2.6.2 Unnecessary supplementary provision

Supplementary Grants are obtained to cover the excesses that may be anticipated after mid-term review of the Grants/Appropriations during a financial year. But it was noticed that in Grant No.7 (Works Department), supplementary provision of ₹ 14.69 crore under Revenue (voted) section and ₹ 0.44 crore under Capital (voted) section obtained during December 2012 proved unnecessary in view of sizeable savings of ₹ 11.54 crore under Revenue (voted) and ₹ 101.60 crore under Capital (voted) section respectively from the original Budget provision in the year. In Grant No.13 (Housing & Urban Development Department), supplementary provision of ₹ 24.30 crore under Revenue (voted) section and ₹ 16.15 crore under Capital (voted) section obtained during December 2012 proved unnecessary, as the department saved ₹ 76.61 crore in Revenue (voted) and ₹ 21.07 crore under Capital (voted) section out of the original provision. This showed that the CCOs of these two departments were not aware of the actual requirement of funds for the remaining period of the financial year due to failure of monthly expenditure control mechanism prescribed in the OBM.

2.6.3 Withdrawal of entire provision by way of surrender and re-appropriation

Works and Housing & Urban Development Departments made a provision of ₹ 3.13 crore and ₹ 33.56 crore respectively under different heads/schemes during 2012-13, but the total provisions were withdrawn by way of re-appropriation and surrendered on the last day of the financial year 2012-13 as indicated in **Appendix -2.12**.

This indicated that the CCOs prepared the budget and made allocation to different schemes/projects/objects of expenditure without any basis and without carrying out the required due diligence as prescribed in the OBM.

2.6.4 Non-adherence to Cash Management System.

Government of Odisha (Finance Department) in their circular (April 2012) implemented Cash Management System in 18 departments including the Works (Grant No. 07) and Housing & Urban Development (Grant No.13) departments.

As per Cash Management System, the above two departments have to adhere to the Quarterly Expenditure Allocation (QEA) norm of 25 per cent, 15 per cent, 20 per cent and 40 per cent of Budget Estimate in First, Second, Third and Fourth quarter respectively as prescribed by the Finance Department for the year 2012-13. The distribution of the QEA vis-à-vis quarterly expenditure for the two departments during 2012-13 is given in **Table 2.9**.

Table 2.9: Budget Estimate and Quaterly Expenditure Allocation by the Works and Housing and Urban Development department.

Sl No	Grant No./Name	Budget Estimate, 2012-13	QEA for 1 st Qr.	Exp. for 1 st Qr	QEA for 2 nd Qr.	Exp. for 2 nd Qr	QEA for 3 rd Qr.	Exp. for 3 rd Qr	QEA for 4 th Qr.	Exp. for 4 th Qr
			(25 % of BE)	(15 % of BE)	(15 % of BE)	(20 % of BE)	(20 % of BE)	(40 % of BE)		
1	07-Works	2258.55	564.64	400.84 (18 %)	338.78	287.87 (13 %)	451.71	629.25 (28 %)	903.42	826.01 (36 %)
2	13-Housing and Urban Development	1580.49	395.12	169.22 (11 %)	237.07	287.78 (18 %)	316.10	359.77 (23 %)	632.20	665.30 (42 %)

Source: Records of Finance Department, Government of Odisha and monthly appropriation accounts.

The above indicated that the departments did not adhere to the norm of Cash Management System. The Works department failed in targeted quarterly expenditure by seven per cent & two per cent for the first and second quarter respectively. Similarly at the end of third quarter the department failed to achieved the targeted expenditure norm (60 per cent of BE) by ₹ 37.17 crore. Further, it was also seen from the monthly appropriation accounts that the monthly expenditure norm (15 per cent) for the month of March, 2013 i.e the last month of the year, exceeded by 4.34 per cent (₹ 98.07 crore).

Housing & Urban Development department also failed in the expenditure during first quarter by 14 per cent against the targeted norm. Similarly, the department also failed in achieving up to the third quarter norm (60 per cent of BE) by around eight per cent (₹ 131.52 crore). The department also exceeded the expenditure by two per cent (₹ 33.10 crore) for the fourth quarter norm (40 per cent of BE) and monthly expenditure norm by 3.19 per cent (15 per cent of BE) for the month of March, 2013 (₹ 50.45 crore).

The above not only violates instruction of the Cash Management System but also stands in the way of achieving the objective thereof like (i) even pacing of expenditure within the financial year (ii) reduce rush of expenditure during the last month of the financial year and (iii) effective monitoring of the expenditure pattern.

2.7 Outcome of Inspection of Treasuries

During 2012-13, 30 District Treasuries, eight Special Treasuries and 52 Sub-Treasuries were inspected by the inspecting staffs of the Principal Accountant General (A&E), Odisha. Irregularities and lapses noticed during 2012-13, were brought to the notice of the Treasury Officers / Sub-Treasury Officers concerned through Inspection Reports. Some of the important irregularities and lapses noticed during inspection are given below:

2.7.1 Excess payment of pension and gratuity

During inspection of treasuries/sub-treasuries for the year ended 31 March 2013 by the office of the Principal Accountant General (A&E), excess payment of pension and gratuity amounting to ₹ 12.73 lakh was noticed as indicated in **Table 2.10** below:

Table 2.10: Outcome of inspection of treasuries

Sl No	Category	Amount (₹ in lakh)
1	Excess payment of pension due to arithmetical inaccuracy.	1.77
2	Excess payment due to delayed commencement of reduced pension on account of payment of commuted value of pension.	2.24
3	Excess payment of pension in favour of family pension due to payment at enhanced rate beyond the stipulated date.	0.54
4	Excess payment of pension due to other miscellaneous reasons.	8.18
TOTAL		12.73

Source: Office of the Principal Accountant General (A&E), Odisha

There is a need to improve the controls in the Treasury on pension and pension-related payments.

The Government stated (November 2013) that the Director of Treasuries & Inspection would be instructed to put in place a pre-check pension and pension-related payments in the Treasuries/ Sub-Treasuries to gradually eliminate excess payment of pension and gratuity. The Government had previously (November 2012) also assured the same, but excess payment of pension and gratuity continues to exist.

2.7.2 Outstanding pension claims from Central Pay and Accounts Office, New Delhi / Defence / Railways.

Treasuries in Odisha are not rendering Central Civil Pension/Central political pension vouchers to concerned accounting circle for reimbursement for which claims of State Government to the extent of ₹ 4.59 crore as calculated up to 31 March 2013 remained in “8658- Suspense Account 101- PAO suspense” head. Details are given in **Table 2.11**:

Table 2.11: Outstanding pension claims from different Accounting Circle

Sl. No.	Name of the Accounting Circle	Outstanding amount (₹ in crore)
1	Central Pay & Accounts Office, New Delhi	2.61
2	Defence	1.28
3	Railways (SE Railway/ Eastern Railway/ Central Railway)	0.70
TOTAL		4.59

Source: Annual review report on the working of Treasuries 2012-13 prepared by office of the Principal Accountant General (A&E), Odisha

2.7.3 Misclassification of debit by the treasury under major head 8009-101-General Provident Fund (State)

The Treasury shall classify the amount under the major head of account mentioned on the body of the challans / vouchers by the DDOs. In course of compilation of treasury accounts for the year ended 31 March 2013 by the Principal Accountant General (A&E), Odisha, it was noticed that an amount of ₹ 4.20 crore pertaining to Aided Educational Institute Provident Fund (AEIPF), Teachers Provident Fund (TPF)) classified under major head of account 8009-SPF-60-Other PF-103-Other Misc. PF, AEIPF(TPF) was misclassified under major head of Account 8009-GPF-101-GPF(State) by the treasuries.

2.8 Conclusion and Recommendations

- Avoidable supplementary provisions being made, defective orders for re-appropriation of fund and re-appropriation orders being issued on the last day of the year did not reflect the prudent financial management by the Chief Controlling Officers-cum-Heads of the Departments (*Paragraphs 2.3.6 to 2.3.10*).

Chief Controlling Officers-cum-Heads of the Department should strictly observe the provisions of OBM to ensure budgetary and expenditure controls. They should specifically strengthen monthly expenditure control and monitoring mechanism.

- Hundred *per cent* of Revenue and Capital provision were spent in some schemes /sub-heads during March 2013 instead of spreading it throughout the year leading to rush of expenditure (*Paragraph 2.3.12*).

Revenue and Capital Expenditure may be spread evenly over the year so as to avoid the quality related pitfalls usually associated with such rush of expenditure.

- Instructions on Cash Management System were not sufficiently adhered by the departments, resulting non achievement of targeted periodical expenditure norm fixed by the State Government (*Paragraph 2.5.2*).

Chief Controlling Officer-cum- Head of the Departments should monitor the timely expenditure and utilization of the Budgeted allocation.

CHAPTER-III

FINANCIAL REPORTING

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance. The reports on compliance and controls with adequacy, accuracy and effectiveness assist the State Government to meet its basic stewardship responsibilities for strategic planning and quick decision making. It, thus contributes to depict the financial and operational health of the State Government with transparency and accuracy covering its various instrumentalities like local bodies, autonomous bodies etc.

This Chapter provides an overview and status of compliance of various broad significant financial rules, procedures and directives in so far as financial reporting is concerned by the State Government and its various sub-ordinate offices during the current year.

3.1 Delay in furnishing Utilisation Certificates

Odisha General Financial Rule¹ (OGFR) provides that for the grants in which conditions are attached to the utilisation of the grants, Utilisation Certificates (UCs) should be furnished by the grantee institutions in duplicate (in form OGFR-7A) countersigned by the disbursing authorities so as to reach the Administrative Department by 1 June of the succeeding year. One copy of the certificate is to be retained in the Administrative Department and another copy is to be sent to the office of the Principal Accountant General (A&E), Odisha, by 30 June of that year.

Through the instrument of Utilisation Certificate, the grantor obtains assurance about non-diversion and proper utilisation of the funds placed at the disposal of the grantee and also gets a certificate from the grantee that the intended list of works have been executed, the details of which are available with him/her. Any delay in furnishing this report to the grantor or any inaccuracy in such reporting essentially undermines this control mechanism designed to ensure non-diversion and proper utilisation. This certificate from the final spending authority/official/agency/grantee is subsequently countersigned by his/its senior officials at different stages/ levels till it reaches the level of the Chief Controlling Officer-cum-Head of the Department who ultimately countersigns it and submits it to the Government. At every stage of counter-signature, necessary due diligence is required to be exercised by the counter-signing authority.

At the close of March 2013, out of the total amount of ₹ 43204.13 crore drawn and disbursed to 68689 grantees by the State Government, UCs in respect of expenditure of ₹ 22221.22 crore (51.43 *per cent*) remained outstanding as of March 2013 in the books of Principal Accountant General (A&E), due to grantee institutions receiving grants-in-aid from the Government of Odisha not furnishing the same. Year wise break up of wanting UCs is given in **Table 3.1**

¹ Rule 173 of OGFR

Table 3.1: Year wise break up of wanting Utilisation Certificates in respect of grants-in-aid (₹ in crore)

Year	Total amount drawn during the year	UC wanting	Percentage of outstanding amount	Number of grants-in-aid (GIA) vouchers for which UCs awaited.
2003-04	1485.63	941.52	63.38	10245
2004-05	1367.24	898.18	65.69	7634
2005-06	1862.52	1048.46	56.29	8955
2006-07	2597.29	1343.03	51.71	4150
2007-08	3696.03	1867.23	50.52	4403
2008-09	4585.64	2359.92	51.46	6339
2009-10	5273.70	2622.17	49.72	5374
2010-11	6752.79	3195.85	47.33	8496
2011-12	8559.99	4443.00	51.90	6545
2012-13	7023.30	3501.87	49.86	6548
TOTAL	43204.13	22221.23	51.43	68689

Source: Office of the Pr. Accountant General (A&E), Odisha.

information furnished by office of the Pr. Accountant General (A&E), Odisha in respect of 35 departments out of 40 departments revealed that UCs of ₹ 22221.22 crore was pending as of March 2013 (*Appendix-3.1*). The major defaulting departments were Panchayati Raj (₹ 7050.92 crore), Planning and Co-ordination (₹ 3220.75 crore), Housing & Urban Development (₹ 2288.65 crore), ST, SC & Minorities & Backward Class Development (₹ 2190.02 crore) and Rural Development (₹ 1434.24 crore) constituting ₹ 16184.58 crore being the 72.83 per cent of total outstanding UCs as of March 2013.

Similarly, Utilisation Certificates (UCs) in respect of grants aggregating to ₹ 1117.35 crore were found to be wanting in 34 units audited up to the year 2011-2012 by the Accountant General (G&SSA), Odisha. They comprise Government Offices (21) Autonomous Bodies (10) and Urban Local Bodies (3). Department wise break up of wanting UCs is given in *Appendix-3.2*

Besides, at the end of December 2012, UCs of ₹ 6588.24 crore of Central Assistance were pending against 30 departments as given in *Appendix 3.3*. The huge pendency was mainly on account of non-adherence to the existing instructions in OGFR for watching timely receipt of UCs by Chief Controlling Officers-cum-Heads of the Department and further release of grants to them as a matter of routine without insisting on UCs for earlier grants as stipulated in the OGFR and sanction orders. In the absence of UCs, the two certificates (certifying non-diversion and non mis-utilisation) that the authority spending the Government grant is required to furnish, i.e. Head of Departments/ Chief Controlling Officers does not get complied with. Thus, Government which is the grantor received no assurance about the correct use of its grant. Such delays are also prone to fraudulent expenditure / transactions, diversion of funds and creation of fake assets for which the responsibility lies squarely on the Chief Controlling Officers-cum-Head of Departments.

The Government stated (November 2013) that UCs for ₹ 12721.79 crore has been submitted as per special drive undertaken to streamline UCs by the FD instructions to all Departments vide Letter No. 18022/f Dt. 18.05.2013 in which there is provision of stoppage of salaries of Officers responsible for non-submission of UCs in time

3.2 Non-submission / delay in submission of details of grants / loans paid

In order to identify institutions/organisations which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of

Service) Act 1971(C&AG's DPC Act), the Government / Heads of the Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purpose for which the assistance is granted and the total expenditure of the institutions. Further, Regulation on Audit and Accounts 2007 provides that Governments and heads of departments which sanction grants and / or loans to bodies or authorities shall furnish to the Audit by the end of July every year a statement of such bodies and authorities to which grants and / or loans aggregating ₹ ten lakh or more were paid during the preceding year indicating (a) the amount of assistance (b) the purpose for which the assistance was sanctioned and (c) the total expenditure of the body or authority. It was also mentioned in the C&AG's Report on State Finances for the years 2008-09, 2009-10, 2010-11 and 2011-12 (paragraph 3.2) about the above obligation of the Government Departments and their heads of departments for furnishing the necessary information through Finance Department. As of October 2013, Finance department is yet to furnish such details. This resulted in Audit not being able to provide assurance to Legislature/Government about the manner in which the grants sanctioned/ paid by them has been utilized, specifically on the issue of diversion and mis-utilisation. This dilutes control in Government expenditure systems. However, 12 new bodies were identified under Section 14(1) of C&AG's DPC Act 1971 during the year 2008-13.

3.3 Delays in Submission of Accounts/Audit Reports of Autonomous Bodies

As many as 219 autonomous bodies under various sectors of the Government of Odisha were identified for audit by the Comptroller and Auditor General of India covering verification and regulatory compliance audit of all their transactions, operational activities and accounts, review of systems and procedures and internal controls etc. of these bodies.

Fifty one bodies / authorities were identified for Separate Audit Reports (SARs) as per provisions of respective legislations. Of these SARs in respect of 32 bodies, i.e., the Odisha State Legal Services Authority, 30 District Legal Services Authorities and the Odisha Forestry Sector Development Project (OFSDP) were issued during 2012-13. However, as of September 2013, none of these 32 bodies have provided their accounts for 2012-13 to audit. Of the remaining 19 bodies / authorities their accounts have not been received by the Audit office as of September 2013, though entrustment of audit to the C&AG of India under Section 19 (3) of C&AG's DPC Act were received in respect of 11 bodies / authorities² in the office of the Accountant General (G&SS Audit) Odisha between November 2010 and March 2012. The entrustment of audit of balance eight³ bodies / authorities have not yet been made by Government as of September 2013, despite the matter having been taken up demi-officially with the Chief Secretary during April and subsequent reminders in June 2012.

² (1) Nine Development Authorities viz., (i) Bhubaneswar Development Authority, (ii) Berhampur Development Authority, (iii) Cuttack Development Authority, (iv) Kalinganagar-Jajpur Development Authority, (v) Paradip Development Authority, (vi) Puri-Konark Development Authority, (vii) Sambalpur Development Authority, (viii) Rourkela Development Authority, (ix) Talcher-Angul-Meramundali Development Authority and

(2) Odisha State Women's Commission

³ (i) Odisha Industrial Infrastructure Development Corporation (IDCO), (ii) Odisha State Housing Board (OSHB) (iii) Odisha State Pollution Control Board (OSPCB) (iv) Odisha Primary Education Programme Authority (OPEPA), (v) Odisha State Disaster Management Authority (OSDMA), (vi) Odisha Tribal Empowerment and Livelihood Programme (OTELP), (vii) Targeted Rural Initiative for Poverty Termination and Infrastructure (TRIPTI), (viii) Poverty and Human Development Monitoring Authority (PHDMA).

The Government stated (November 2013) that instructions would be issued to the concerned Administrative Departments for ensuring timely submission of Accounts / Audit Reports of Autonomous Bodies. The Government had also previously (November 2012) assured the same, but there were delays in submission of Accounts and audit reports during the year.

3.4 Departmentally Managed Commercial Activities

Government departments which are performing activities of quasi commercial nature are required to prepare proforma accounts in the prescribed format annually showing the working results of financial operations so that the Government can assess their performance. The finalised accounts of departmentally managed commercial and quasi-commercial activities reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delay in all likelihood may also open the system to risk of fraud and leakage of public money.

The Chief Controlling Officers (CCOs)-cum-Heads of the Departments of the Government are to ensure that these units prepare proforma accounts and submit the same to Accountant General of the State within a specified time frame for audit. As of August 2013, there were 16 such undertakings and none had prepared accounts up to 2012-13. Of these, four undertakings/activities remained inoperative or closed. Their assets and liabilities were not fully disposed of or liquidated by the Government. In respect of two schemes, viz. (i) Purchase and distribution of quality seeds to cultivators and (ii) Poultry Development, Government had not till date prescribed the preparation of proforma accounts. Only Personal Ledger Accounts were opened during 1977-78 and 1979-80 respectively.

Despite repeated recommendations⁴ of the State Public Accounts Committee and comments in C&AG's Reports (Civil) up to 2007-08 and thereafter in the State Finance Reports on Government of Odisha about the arrears in preparation of these accounts, there was no improvement in so far as preparation of proforma accounts by these undertakings was concerned. The department-wise position of arrears in preparation of proforma accounts and investment made by the Government are given in **Appendix 3.4**. Government will have to take special steps for preparation and finalisation of the accounts without any further delay since delays suppress misappropriation, defalcation etc. The fact of negligence in preparation of pro-forma accounts was taken up (September 2013) with the Finance Department for examination and initiating appropriate action.

The Government stated (November 2013) that instructions would be issued to the concerned Administrative Departments for taking up with the departmentally managed commercial entities for timely submission of proforma accounts. A model format for preparation of proforma accounts would be circulated for preparation of proforma accounts by departmentally managed commercial entities. The Government had also previously (November 2012) assured the same, but the proforma accounts by Departmentally managed commercial entities were not prepared during the year.

The Government stated (November 2013) that a model format would be circulated for

⁴ 10th Assembly 14th Report para 12 and 25, 10th Assembly 33rd Report para-2 and 6.

preparation of proforma accounts by departmentally managed commercial entities.

3.5 Inadequate departmental action on cases of misappropriations, losses, defalcations etc.

As per provisions of Odisha General Finance Rules Vol. I (Rule-19), Government Officers are empowered to report such cases of loss of money, departmental revenue, stores or other properties to his immediate superior officers as well as to Accountant General (G&SSA), Odisha where amount is ₹ 500 or more. Various departments of the State Government reported that there were 1750 cases of misappropriation, defalcation, etc. involving Government money amounting to ₹17.07crore up to March 2013 on which final action was pending. The department-wise break up of pending cases and age wise analysis is given in **Appendix 3.5** and nature of these cases is given in **Appendix 3.6**. Age-wise profile of the pending cases and the number of cases pending in each category of theft and misappropriation/loss as emerged from these appendices are summarized in **Table 3.2(i)** and **Table 3.2(ii)** as of March 2013.

Table 3.2(i): Age -Profile of pending cases of Misappropriations, losses, defalcations, etc.

Age-Profile of the Pending Cases		
Range in Years	Number of Cases	Amount Involved (₹ in lakhs)
0 - 5	9	21.43
5 - 10	77	300.88
10 - 15	201	319.74
15 - 20	272	389.94
20 - 25	343	177.32
25 & above	848	497.58
Total	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

Table 3.2(ii): Nature of pending cases of Misappropriations, losses, defalcations, etc.

Nature/Characteristics of the Cases	Number of Cases	Amount Involved (₹ in lakhs)
Theft	795	342.77
Misappropriation/Loss of material	955	1364.12
Total	1750	1706.89
Cases of Losses Written off during the Year	0	0.00
Total Pending cases	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

Reasons for which the cases (**Appendix-3.7**) were outstanding are classified into five categories, a summary of which is given **Table 3.3** below:

Table 3.3: Reasons for Outstanding cases of Misappropriations, losses, defalcations, etc.

Reasons for the Delay/Outstanding Pending Cases	Number of Cases	Amount (₹ in lakh)
i) Awaiting departmental and criminal investigation	476	491.13
ii) Departmental action initiated but not finalized	601	705.61
iii) Criminal proceedings finalised but execution of certificate cases for the recovery of the amount pending	32	19.91
iv) Awaiting orders for recovery or write off	494	198.11
v) Pending in the courts of law	147	292.13
Total	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

It is pertinent to mention that as many as 476 cases involving ₹4.91 crore were awaiting departmental and criminal investigation up to 48 years since the year 1965-66. Similarly, 494 cases involving ₹ 1.98 crore were awaiting orders for recovery or write off of the competent authority. The Heads of the Departments concerned of Government also failed to write off the cases after taking appropriate action under the Odisha General Financial Rules (Rule-42). The Departments concerned did not furnish the reasons for non-finalisation of misappropriation and loss cases on the 601 cases involving ₹ 7.05 crore on which departmental action had been initiated, though called for in Audit (May-2013). This indicated that the CCOs are indifferent to the vigilance cases pending in their departments.

The Government stated (November 2013) that instructions would be issued to the concerned Administrative Departments for taking timely action on cases of misappropriations, losses, defalcations, etc. The Government had also previously (November 2012) assured the same, but no significant follow up action was taken during the year.

3.6 Pendency in adjustment of Abstract Contingent Bills

As per provisions of SR 260 and 261 of Odisha Treasury Code Vol. I (OTC) read with Rule 84 of the Odisha General Financial Rules (OGFR), every drawing officer has to certify in each Abstract Contingent (AC) bill that the detailed bills for all contingent charges drawn by him prior to first of the current month have been forwarded to the respective Controlling Officers for counter signature and transmission to the Accountant General. The total amount of Detailed Countersigned Contingent (DCC) bills received up to 2012-13 was only ₹ 359.35 crore (87.1 per cent) against AC bills worth ₹ 412.31 crore drawn during 2004-13 leading to an outstanding balance of AC bills of ₹ 52.96 crore as on 31 March 2013. Year wise details are given in **Table 3.4**

Table 3.4: Pendency in submission of DCC Bills against AC Bills

(₹ in crore)				
Year	Amount of AC bills	Amount of DCC bills outstanding	Outstanding DCC bills as percentage of AC bills	No of the outstanding AC bills
Up to 2008-09	192.50	5.69	2.95	1340
2009-10	48.95	1.62	3.30	402
2010-11	35.54	3.27	9.20	557
2011-12	61.18	7.22	11.80	945
2012-13	74.14	35.16	47.42	3940
TOTAL	412.31	52.96	12.84	7184

Source: Compiled from the information received from various departments of the State Government.

Department wise pending AC bills for the years up to 2012-13 is detailed in **Appendix-3.8**. The Appendix disclose that three major Departments viz. Home- ₹ 27.63 crore, Higher Education- ₹ 7.41 crore and Planning & Co-ordination- ₹ 5.04 crore topped the list of unadjusted AC bills. As the amount is already charged to the activities concerned as Revenue Expenditure, delayed adjustment of unspent balances may lead to booking of excess cost than actual expenditure and is also fraught with the risk of embezzlement of Government funds.

The Government stated (November 2013) that the Financial Advisers and Controlling Officers have been sensitized about timely submission of DCC Bills. In the proposed IFMS, a module would be developed for online tracking of AC Bills and corresponding DCC Bills which will help in reducing the pendency level.

3.7 Non-closure of inoperative / unwarranted Personal Deposit (PD) Account

Note below Rule 141 read with sub-rule (3) of Odisha Budget Manual (OBM) provides that money should neither be withdrawn from the Treasury unless it is required for immediate disbursement nor, it is permissible to draw money from the treasury under Revenue heads of accounts which forms a part of the Consolidated Fund of the State and for placing it in Deposit head under Public Account of the State in order to avoid lapse of allotment. Parking of funds in PD account adversely affect the transparency of State accounts as it inflates the Revenue Expenditure to that extent and locks up resources which otherwise can be utilised elsewhere for development. Further, according to the provisions of the Odisha Treasury Code, Volume I (Rule 423) PD accounts remaining in-operative for three full financial years are to be closed automatically and the unspent balances transferred to Government Account for which the Treasury Officers are to furnish detailed information to the Principal Accountant General (A&E) immediately after 31 March of each financial year.

There were 889 PD Account holders in the State with a closing balance (unspent) of ₹ 795 crore operating under the head 8443-Civil Deposits-106-Personal Deposits as of March 2013. During 2012-13, ₹ 1842.47 crore were transfer-credited from the Consolidated Fund of the State to these PD accounts and expenditure of ₹ 1703.53 crore was incurred therefrom resulting in net increase of ₹ 138.94 crore in the cumulative closing balance at the end of the year.

As per the Treasury Inspection Reports of the office of the Principal Accountant General (A&E), Odisha an amount of ₹2.53 crore remained unspent for last three years ending March 2012 in respect of 142 schemes and 82 miscellaneous activities operated by 21 Personal Ledger Account Administrators coming under the jurisdiction of eight⁵ District Treasuries/Sub-Treasuries.

All such irregular drawals had the approval of the CCOs of the concerned Departments including of the Finance Department. This irregular practice resulted in erosion of legislative control over expenditure, as drawals from PD Accounts in the subsequent years neither required legislative approval nor was the expenditure incurred subject to legislative authority through the appropriation mechanism.

The Government stated (November 2013) that the Treasury Officers are to enforce monthly and annual reconciliation of accounts envisaged under SR 475 & 479 of Odisha Treasury Code and in case of default, further drawals from the PD Account are to be stopped. The verification mechanism prescribed under SR 475 should be strictly enforced. The reply was not tenable as scrutiny of inoperative PL accounts by Audit revealed that no such PL account was closed during 2010 and 2011, while 37 PL accounts were closed in 2012 and 8 PL accounts were closed in 2013.

3.8 Booking under minor heads '800-Other Receipts and 800-Other Expenditure'

One crucial component of a transparent system of accounting is that the forms of accounts in which the receipts and expenditure of the Government are reported to the Legislature, are constantly reviewed and updated so that they correctly reflect the receipt and expenditure on all major activities of the Government in a transparent

⁵ Sub-Treasury Gunupur, Dist. Treasury Kalahandi, Dist. Treasury Nawarangpur, Sub Treasury Umerkote, Dist. Treasury Malkangiri, Dist. Treasury Angul, Sub Treasury Atthamallik, Dist Treasury Sundergarh.

manner and to the level of disaggregation necessary to meet the basic information needs of all the important stakeholders.

Scrutiny of State Finance Accounts 2012-13 disclosed that under 17 major heads of account (both Revenue and Capital) ₹ 2951.82 crore (48 *per cent*) of total expenditure of ₹ 6169.79 crore were classified under the minor head of account '800-Other Expenditure' in the accounts which also ranged between 31 and 100 *per cent* of the total expenditure under the respective major heads. Similarly, under 29 major head of account (Revenue Receipt), ₹ 646.43 crore (54 *per cent*) out of total receipts of ₹ 1206.93 crore was classified under '800-Other Receipts', which also ranged between 30 and 100 *per cent* of the total Revenue Receipts under the respective major heads of account.

Large amounts booked under the minor head '800' affects the transparency in financial reporting as it fails to indicate disaggregated information on different activities of the Government separately in the accounts. This shows that the existing structure of the Government Accounts does not truly reflect the current activities of the Government in these Departments and is required to be updated / modified.

3.9 Inadequate mechanism for obtaining the dates of death of pensioners/family pensioners - excess credit of fund

Guidelines for payment of pension through Public Sector banks provide that the pensioners are to produce life certificate in November each year to the bank where one is drawing pension, failing which the payment of pension is to be stopped by the bank from the next month. On receipt of the life certificate, the bank continues to credit the pension/family pension to the respective accounts irrespective of death of the pensioner/family pensioner during the intervening period i.e. December to November next year.

Audit scrutiny revealed that, in respect of two branches at Bhubaneswar, pension/family pension of ₹ 3.58 lakh were credited to 26 pensioners/family pensioner's account, which were lying inoperative for more than three years as detailed in *Appendix 3.9*.

It was stated in reply that the list of pensioners in respect of which the certificates were not obtained was forwarded to the respective branches during January-February each year. In respect of excess payment, the amount was stated to be recovered from the balance lying in the account and the shortfall, if any was to be recovered from the legal heirs by respective branches.

The reply is not acceptable since amount credited to the bank accounts of the deceased pensioner/family pensioner are liable to be withdrawn by the legal heirs without intimating the bank about the death of the pensioner/family pensioner. In case of death of pensioners there is a chance of recovery of the excess payment of pension from the family pensioner but in case of death of family pensioner, the chance of recovery is remote.

3.9.1 Irregular payment of additional family pension

To ensure that the date of birth and the age of a pensioner is invariably indicated in the Odisha Civil Services (Pension) Form 7 and to facilitate the Accountant General(A&E), Odisha to record the same in the Pension payment Order (PPO) to be issued in favour of the pensioner for payment of additional pension, the Pension sanctioning Authority is to furnish all details regarding dates of birth of the pensioner

as well as his/her spouse. The amount of additional pension sanctioned is to be shown distinctly in the PPO.

Scrutiny of records of Central Pension Processing Centre (CPPC), State Bank of India, Bhubaneswar revealed that in 30 cases of pre 2008 pensioners, the dates of birth of the family pensioners were not recorded in the PPO. But additional family pension was paid to the family pensioners based on incorrect entries of dates of birth in contravention of Finance Department's resolution dated 19 January 2009. This resulted in irregular payment of ₹ 12.83 lakh to the pensioners, as indicated in **Appendix-3.10**.

On being pointed out, the Chief General Manager, State Bank of India, Odisha stated (January 2013) that CPPC was advised to ascertain and confirm the dates of birth of the family pensioners from the respective treasuries. Finance Department stated (February 2013) that instructions were issued to all banks to quantify the additional family pension paid without authentication of date of birth of the family pensioners for recovery from the pensioners concerned.

3.10 Fund management practices

Fund management entails strict adherence to prescribed rules and procedures in handling and retention of funds. Treasury and Financial Rules of the State Government require that no money is drawn from treasury unless it was required for immediate disbursement. All monetary transactions should be entered in the cash book under proper attestation as soon as these occurred. Expenditure should not be incurred on the items for which there is no specific allotment and sanction of Government. It is also required that the cash book should be closed every day and the Head of the Office also physically verified the cash balance in hand as per the cash book and records a certificate to that effect at the end of each month. Bill-wise analysis with dates of drawal in respect of closing cash balance is also required to be made at the end of each month.

A review of the fund management practices during the year 2011-12 of test check of records of 201 out of 6689 Drawing & Disbursing Officers (DDOs) of the State revealed the following deficiencies.

3.10.1 Advances remaining unadjusted

As per Subsidiary Rule 37 Note 9 of Odisha Treasury Code (OTC) Vol. I, the DDO is required to maintain a Register of Advance showing all the particulars like date, the name and designation of the officer receiving the advances, the purpose for which it is given, date of submission of accounts/bill for payment made against such advances. The accounts so rendered are required to be checked and passed by the DDO. Further, as per Finance Department Notification, each item of outstanding advances as appearing in the cash book of the DDO is analyzed and adjusted within one month of disbursement, failing which, the salary of the Government servant concerned should be withheld. Subsidiary Rule 509 of OTC Vol. I, envisages that the advance register should be reviewed frequently by the DDO to ensure that all the advances are cleared by adjustment without delay. Non-adherence not only results in understatement of actual expenditure but also fraught with the risk of improper and irregular utilization of the advance so drawn. Continued non-adjustment over a long period is also fraught with the risk of misappropriation and embezzlement.

Test check of records of 201 DDOs revealed that in case of 54 DDOs as of 31 March 2012 advances of ₹ 90.49 crore (**Appendix-3.11**) have not been adjusted since long.

The age-wise analysis was also not available with these DDOs due to non-preparation of the list of outstanding advances and improper maintenance of the advance ledgers/registers. Due to lack of timely action to adjust the advances, the possibility of recovery of the advances is remote.

Besides, in respect of 103 DDOs, though advance ledger was maintained in the prescribed manner, advances amounting to ₹ 45.90 crore were still lying unadjusted (*Appendix-3.12*) up to March 2012 for the period ranging from one to 56 years. The advances were mainly given to the Government employees/supplier for departmental allied purposes, execution of work, imparting training and supply of agricultural implements. In the absence of details, the scheme from which such advances were given was not ascertainable in audit. Such situation is also fraught with the risk of embezzlement of Government fund.

The Finance Department stated (April 2013) that instructions were issued to the departments concerned to ensure early adjustments of outstanding advances at the level of the DDOs.

3.10.2 Misutilisation of undisbursed cash balance with DDOs.

In terms of Rule 8 and 11 of Odisha General Financial Rules, no authority can incur expenditure or enter into any liability until the expenditure has been sanctioned by Government. Further, expenditure in excess of the amount of grant or appropriation, as well as expenditure not falling within the scope or intention of the grant would be treated as unauthorised expenditure.

Test check of records of different offices revealed that during 1964-2012, in 77 out of 201 DDOs, expenditure of ₹ 2.56 crore (*Appendix-3.13*) was incurred without any allotment and sanction by the competent authority as disbursements were made without any allotment or sanction. The amount is still kept in the shape of 'paid vouchers' by these departments. The department-wise abstract is as under:

Sl. No.	Name of the Departments	Amount of "Paid Vouchers" (₹ in crore)
1	Agriculture	0.73
2	Revenue & Disaster Management	1.14
3	Women & Child Development	0.23
4	Schedule Caste & Schedule Tribe	0.42
5	School & Mass Education	0.04
Total		2.56

The Finance Department stated (April 2013) that the State Government had introduced electronic disbursement of Government payment directly to the account of the beneficiary through the Central electronic Payment Processing Centre (CePC) with effect from 1 August 2012 so as to minimize the possibility of retention of undisbursed cash balance with the DDOs in future and also minimize the possibility of incurring expenditure without allotment and sanction. Appropriate action was stated to be taken by the respective departments at their level to prevent misuse of the undisbursed cash balance with DDOs.

3.10.3 Discrepancy of ₹102.49 crore due to non-reconciliation between bank balance and cash book balance.

Reconciliation of bank account figure with that of cash book figure is required to be done regularly in order to ensure accuracy of the transaction entered in the books of accounts. The DDOs were required to carry out reconciliation at the end of each month to set right the mismatches/discrepancies, if any.

It was observed that in 95 out of 201 sample DDOs, difference of ₹ 102.49 crore (**Appendix-3.14**) was noticed between the balances in the cash book and the bank pass book as of January 2013 which was not reconciled. In absence of reconciliation of balances of cash, the authenticity of accounts maintained by these DDOs could not be vouchsafed in audit.

However, Finance Department stated (April 2013) that instructions had been issued to all departments to the effect that the DDOs would prepare Bank reconciliation statement every month and discrepancy, if any, would be reconciled instantly.

3.10.4 Unspent balance of ₹1.22 crore held by DDOs relating to closed/non-operational schemes

As per the guidelines of the schemes and instructions contained in the sanctions issued by the Government, unspent balance of closed and non-operational schemes/programmes were to be refunded to the funding agency/Government.

It was observed in 18⁶ out of 201 DDOs that a sum of ₹ 1.22 crore pertaining to 32 various closed/non-operational schemes and programmes were lying in the bank accounts of the DDOs and were not refunded to the funding agency/Government which is fraught with the risk of mis-utilisation and unauthorized expenditure of these funds as these funds were not meant to be at the disposal of DDOs., the details of which are given in **Appendix-3.15**. Besides blockage of funds, this led to denial of intended benefits to beneficiaries in other schemes.

The Finance Department stated (April 2013) that instructions had been issued to all DDOs for refund of unspent amount of closed schemes by 31 May 2013.

3.10.5 Non-accountal of bank interest in to the Cash Book

Rule 6 (1) of OTC Vol.I requires that the Department of the Government all money received on account of Revenue of the State should be kept in the Public Account of the State.

Scrutiny of records of five DDOs revealed that in regular intervals interest accrued in different Savings Bank account and credited in to the Bank Pass Books (**Appendix-3.16**) but were not duly accounted for in relevant cash books. This resulted understatement of interest of ₹ 41.71 lakh.

3.10.6 Retention of time barred Bank Drafts

As per instructions of the Finance Department, under no circumstance should money be drawn and kept in Demand at Call Receipt (DCR), Term deposit, Bank Draft (BD) or in sealed bag or in any other form. Any such instance would be treated as temporary misappropriation except when specifically authorized by Finance Department in writing.

Scrutiny of records revealed that in three out of 201 sample DDOs in January / February 2013, 130 time barred Bank Drafts (BDs) amounting to ₹ 13.32 lakh (**Appendix-3.17**) formed part of closing balance as on 31 March 2012. These Bank Drafts have lost their validity period (six months); but were neither revalidated nor deposited in the Bank account. Retention of these BDs for long periods not only

⁶ BDO Satyabadi, BDO Subarnapur, BDO Ghasipura, BDO Chatrapur, DoSC Bhubaneswar, BDO Dhenkanal, BDO Talcher, BDO Baranga, BDO Khurda, DSWO Bhadrak, DSWO, Balasore, DIS, Khurda, EE(RW), Jagatsinghpur, DSWO, Sonapur, BDO, Balangir, DIS, Koraput, BDO, Bargarh, BDO, Phulbani

resulted in blockage of Government fund but also affected the ways and means position of the State.

3.10.7 Un-disbursed pay and allowances.

Rule 235(1) of OTC Vol.I envisaged that un-disbursed pay and allowances beyond 3 months should be refunded to Treasury. Scrutiny of records of four DDOs revealed that pay and allowances amounting to ₹ 5.30 lakh pertaining to the period from February 2005 to March 2012 (*Appendix-3.18*) was irregularly kept in the DDO's current account as of December 2012 instead of refunding it to treasury.

On this being pointed out by audit, the DDOs stated that steps would be taken to disburse the undisbursed amount early or else deposited to Government account.

The Finance Department stated (April 2013) that the DDOs had been instructed to refund the undisbursed pay and allowances by short drawal in the next pay bill.

3.10.8 Non-verification of cash balance during audit.

All the 201 DDOs were requested by audit to get their cash balance physically verified in presence of audit between June 2012 and January 2013. Out of which 15 DDOs of Five departments did not get their cash balance physically verified in the course of audit because the cash books were not closed at the time of inspection (*Appendix-3.19*).

The Finance Department stated (April 2013), the concerned heads of Departments would ensure verification of cash by 31 May 2013.

3.10.9 Physical verification not conducted by DDOs

Seventy-two out of 201 test checked DDOs did not conduct physical verification at the end of each month as required under Rule 37 (IV) of OTC Vol. I, thereby rendering a total amount of ₹ 647.12 crore remaining unverified for the period ranging from 2 months to 60 months (*Appendix-3.20*). Details are enumerated in the table below.

Sl.No.	Name of the Department	No. of DDOs involved
1	Revenue	10
2	Panchayati Raj	15
3	Agriculture	15
4	W&CD	9
5	SSD	9
6	S&M	8
7	H&FW	4
8	RD	2

The Finance Department stated (April 2013) that instructions had been issued to all DDOs to adhere the provision of SR 37 (iv) regarding the physical verification of cash balance.

3.11 Conclusion and Recommendations

- There is a huge pendency in receipt of Utilisation Certificates (UCs) of grants-in-aid paid to various autonomous bodies relating to Panchayati Raj, Planning and Co-ordination, Housing and Urban Development, STSC Minorities and Backward Class Development and Rural Development Departments. This was due to release of grants by the Government as a matter of routine without simultaneously keeping a watch on timely receipt of UCs for the grants given earlier, as required under the General Financial Rules and sanction orders for release of such grants (*Paragraph 3.1*).

Internal controls need to be strengthened in the executing agencies to utilise the funds within the stipulated time so as to avoid delay in submission of Utilisation Certificates. It should also be ensured that Utilisation Certificates are furnished only after actual utilisation of the earmarked funds.

- Administrative Departments of the Government did not furnish to the Accountant General (G&SSA) information on the list of bodies / authorities to whom grants and / or loans were paid, the purposes for which such assistances were paid and position of utilisation of such assistance during 2012-13 as required under the provisions of C&AG's Audit and Accounts Regulations 2007. All the 16 departmentally managed commercial entities did not prepare proforma accounts up to 2012-13 despite repeated comments in the earlier Audit Reports (**Paragraphs 3.2 and 3.4**).

Administrative Departments of Government need to furnish timely information to Accountant General (G&SSA) in respect of bodies/authorities to whom grant/loans have been paid so that their accounts do not remain unaudited and the departments are deprived of full knowledge about their true financial and operational health. The department must also ensure finalisation of accounts in arrears of the departmentally managed commercial activities in order to obtain assurance about the financial transactions in these bodies/institutions and thereby avoid the possibility of any fraud, misappropriation etc.

- As per reports of different departmental offices, 1750 cases of misappropriation/defalcation of Government money amounting to ₹ 17.07 crore were pending for enquiry up to 26 years or more (**Paragraph 3.5**).

Departmental enquiries in all fraud and misappropriation cases should be expedited to bring the defaulters to book. Internal controls should be strengthened to prevent the recurrence of such cases.

- Contrary to the provisions of financial rules, Controlling Officers did not submit (June 2013) Detailed Countersigned Contingent Bills to the Principal Accountant General (A&E) in respect of ₹ 52.96 crore drawn on Abstract Contingent Bills (7184 cases) up to 31 March 2013. Many of these cases related to periods prior to 2004-05. Besides, some departments allowed drawal of AC Bills despite AC Bills of earlier years remaining unadjusted (**Paragraph 3.6**).

A rigorous monitoring mechanism should be put in place in the Departments to adjust the advances drawn in Abstract Contingent bills within the stipulated period as required under the extant rules and also to preclude the possibility of temporary/permanent misappropriation, fraud/embezzlement etc.

- Funds remained unspent in many inoperative Personal Deposit Accounts for years together without being written back to concerned functional heads of accounts at the end of the respective years. Transfer of budgetary allocation from the Consolidated Fund to PD Account in the Public Account at the end of the financial year to avoid lapses adversely affected the transparency of the State's accounts; it inflated the expenditure to that extent and locked up resources which could otherwise have been used in other areas during that year. Further it also eroded budgetary and legislative control over public finances (**Paragraph 3.7**).

Government should take suitable measures for prompt closure of the inoperative and unwarranted PD accounts and transfer the balance of unspent funds lying in

these accounts to the Consolidated Fund of the State as provided in the codal provisions.

- Significant amounts of expenditure and receipts under Central and State schemes, were not distinctly depicted in the State Finance Accounts of 2012-13 by getting booked under the minor head '800-Other Expenditure' and '800-Other Receipts, thus affecting transparency in financial reporting (**Paragraph 3.8**).

In order to ensure greater transparency in financial reporting, large amounts received or expended under various schemes should be depicted in the distinct minor heads of accounts instead of being clubbed together under the same minor head of accounts '800-Other Receipts and 800-Other Expenditure.

- A large number of DDOs test checked failed to comply with various financial rules and procedures prescribed in OTC Vol. I and OGFR Vol. I. The DDOs did not reconcile the cash book figure with that of figures of bank pass book balance, funds remained in the bank account without utilization and expenditure incurred on items without having any allotment. These lapses reflected inadequacy in the internal control mechanism in the offices of these DDOs (**Paragraph 3.10**).

Reconciliation of cash book with the bank pass book should be carried out on a regular basis. Unspent balance of defunct /closed scheme should be refunded to the funding Department. Allowing funds to roll in the bank account without their timely utilization for years together should be avoided.

**Bhubaneswar
The**

**(Amar Patnaik)
Accountant General (G&SSA), Odisha**

Countersigned

**New Delhi
The**

**(Shashi Kant Sharma)
Comptroller and Auditor General of India**

APPENDICES

Appendix 1.1 (Refer Page 1)

A brief profile of Odisha

A. General Data				
Particulars				Figures
1	Area			155707 Sq km
2	Population			
	a.	As per 2001 Census		3.68 crore
	b.	As per 2011 Census		4.19 crore
3	Density of Population (as per 2001 Census) . (All India Density = 325 persons per Sq. Km)			236 persons per Sq. Km
	Density of Population (as per 2011 Census) . (All India Density = 382 persons per Sq. Km)			269 persons per Sq. Km
4	*Population below poverty line (BPL) (All India Average= 21.92 per cent)			32.59 per cent
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 per cent)		63.08 per cent
	b.	Literacy (as per 2011 Census) (All India Average = 74.04 per cent)		73.45 per cent
6	Infant mortality*** (per 1000 live births). (All India Average = 42 per 1000 live births)			53
7	Life Expectancy at birth**. (All India Average =66.1 years)			63.0 years
8	Gini Coefficient****			
	a.	Rural. (All India= 0.29)		0.26
	b.	Urban. (All India= 0.38)		0.39
9	Gross State Domestic Product (GSDP) 2012-13 at current price			₹ 258744 crore
10	Per capita GSDP CAGR (2003-04 to 2012-13)			14.94
11	GSDP CAGR (2003-04 to 2012-13)		Odisha	16.37
			Other General Category States	16.37
12	Population Growth (2003-04 to 2012-13)		Odisha	12.83
			Other General Category States	13.22
B. Financial Data				
Particulars				
CAGR		2003-04 to 2011-12		2003-04 to 2012-13
		General Category States	Odisha	Odisha
(In per cent)				
a.	of Revenue Receipts.	17.48	19.88	18.63
b.	of Own Tax Revenue.	17.44	19.18	18.34
c.	of Non Tax Revenue.	12.64	24.81	24.88
d.	of Total Expenditure.	14.15	14.69	14.25
e.	of Capital Expenditure.	16.83	23.10	23.31
f.	of Revenue Expenditure on Education.	16.85	17.44	16.19
g.	of Revenue Expenditure on Health.	15.35	14.20	15.54
h.	of Salary and Wages.	14.18	11.45	11.11
i.	of Pension.	18.36	19.17	18.61

Source of General data: BPL (Planning Commission & NSSO data,61st Round) ** Gini Coefficient (Unofficial estimates of Planning Commission & NSSO data,61st Round 2004-05 MRP and 66th Round 2009-10 URP), **Life Expectancy of birth (Office of the Registrar General of India; Ministry of Home Affairs), Economic Review 2010-11 , *** Infant mortality rate (SRS Bulletin January,2011), Financial data is based on Finance Accounts of the States Government.

Gini-coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer zero inequality is less: closer to one inequality is higher

APPENDIX – 1.2
(Refer paragraph 1.1 at page 2)

Structure and Form of Government Accounts

Part A: Structure and Form of Government Accounts

Structure of Government Account: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature.

PART B: Layout of Finance Accounts

Statement No.	About
<i>Volume - I</i>	
1	<i>Statement of Financial Position</i>
2	<i>Statement of Receipts and Disbursements</i>
3	<i>Statement of Receipts in Consolidated Fund</i>
4	<i>Statement of Expenditure in Consolidated Fund</i> <i>By function and nature</i> <i>Notes to Accounts</i> <i>Appendix I: Cash Flow Statement</i>
<i>Volume - II</i>	
5	<i>Statement of Progressive Capital Expenditure</i>
6	<i>Statement of Borrowings and other Liabilities</i>
7	<i>Statement of Loans and Advances given by the Government</i>
8	<i>Statement of Grants-in-Aid given by the Government</i>
9	<i>Statement of Guarantees given by the Government</i>
10	<i>Statement of Voted and Charged Expenditure</i>
11	<i>Detailed Statement of Revenue and Capital Receipts by minor heads</i>
12	<i>Detailed Statement of Revenue Expenditure by minor heads</i>
13	<i>Detailed Statement of Capital Expenditure</i>
14	<i>Detailed Statement of Investments of the Government</i>
15	<i>Detailed Statement of Borrowings and other Liabilities</i>
16	<i>Detailed Statement of Loans and Advances given by the Government</i>
17	<i>Detailed Statement on Sources and Application of funds for expenditure other than Revenue Account</i>
18	<i>Detailed Statement on Contingency Fund and other Public Account transactions</i>
19	<i>Detailed Statement on Investments of earmarked funds</i>

APPENDIX – 1.3
(Refer paragraph 1.2 at page 2)

Time Series data on the State Government Finances

	2008-2009	2009-10	2010-11	2011-12	2012-13
Part A. Receipts					
1. Revenue Receipts	24610	26430	33276	40267	43937
(i) Tax Revenue	7995(32)	8982(34)	11193(34)	13443 (34)	15034(34)
Taxes on Agricultural Income	Nil	Nil	Nil	Nil	Nil
Taxes on Sales, Trade, etc	4803(60)	5409(60)	6807(61)	8197(61)	9685(64)
State Excise	660(8)	849(10)	1094(10)	1379(10)	1499(10)
Taxes on Vehicles	524(7)	611(7)	728(6)	788(6)	746(5)
Stamps and Registration fees	496(6)	360(4)	416(4)	498(4)	545(4)
Land Revenue	348(4)	292(3)	391(3)	522(4)	420(3)
Taxes on Goods and Passengers	638(8)	815(9)	1111(10)	1312(10)	1342(9)
Other Taxes	526(7)	646(7)	646(6)	747(5)	797(5)
(ii) Non Tax Revenue	3176(13)	3212(12)	4780(14)	6443(16)	8078(18)
(iii) State's share of Union taxes and duties	8280(34)	8519(32)	10497(32)	12229(30)	13965(32)
(iv) Grants in aid from Government of India *	5158(21)	5717(22)	6806(20)	8152(20)	6860(16)
2. Miscellaneous Capital Receipts	Nil	Nil	Nil	Nil	Nil
3. Recoveries of Loans and Advances	236	356	34	132	142
4. Total Revenue and Non debt capital receipts (1+2+3)	24846	26786	33310	40399	44079
5. Public Debt Receipts	1152	1650	2268	1354	1880
Internal Debt (excluding Ways and Means Advances and Overdrafts)	643	1460	2042	1121	1436
Net transactions under Ways and Means Advances and Overdrafts	Nil	Nil	Nil	Nil	Nil
Loans and Advances from Government of India	509	190	226	233	444
6. Total Receipts in the Consolidated Fund (4+5)	25998	28436	35578	41753	45959
7. Contingency Fund Receipts	301	11	199	375	16
8. Public Account Receipts	11834	11735	12779	15487	27545
9. Total Receipts of the State (6+7+8)	38133	40182	48556	57615	73520
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	21190(84)	25292(87)	29368(86)	34660(87)	38238(87)
Plan	5308(25)	5615(22)	7393(25)	9720(28)	11593(30)
Non Plan	15882(75)	19677(78)	21975(75)	24940(72)	26645(70)
General Services (including interest payments)	6962(33)	9285(37)	9937(34)	10929(32)	12423(32)
Social Services	8284(39)	9838(39)	11922(41)	14338(41)	14977(39)
Economic Services	5551(26)	5762(23)	7077(24)	8732(25)	10196(27)
Grants-in-aid and contributions	393(2)	406(1)	432(1)	661(2)	642(2)
11. Capital Expenditure	3779(15)	3648(12)	4285(13)	4496(11)	5622(13)
Plan	3570(94)	3257(89)	4157(97)	4435(99)	5603(99)
Non Plan	209(6)	391(11)	128(3)	61(1)	19(1)
General Services	185(5)	178(5)	234(6)	258(6)	351(6)
Social Services	924(24)	563(15)	784(18)	657(14)	1205(22)
Economic Services	2671(71)	2907(80)	3267(76)	3581(80)	4066(72)

* Excludes funds transferred directly to NGOs / VOs in the State

	2008-2009	2009-10	2010-11	2011-12	2012-13
12. Disbursement of Loans and Advances	211(1)	112(1)	315(1)	621(2)	216
13. Total (10+11+12)	25180	29052	33968	39777	44076
14. Repayments of Public Debt	1493	1489	2084	2328	3180
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1059	1052	1222	1781	2666
Net transactions under Ways and Means Advances and Overdraft	Nil	Nil	Nil	Nil	Nil
Loans and Advances from Government of India	434	437	862	547	514
15. Appropriation to Contingency Fund	250	Nil	Nil	Nil	Nil
16. Total disbursement out of Consolidated Fund (13+14+15)	26923	30541	36052	42105	47256
17. Contingency Fund disbursements	11	199	375	3	--
18. Public Account disbursements	10896	9849	11408	14023	24886
19. Total disbursement by the State (16+17+18)	37830	40589	47835	56131	72142
Part C. Deficits					
20. Revenue Deficit (-)/Revenue Surplus (+) (1-10)	3420	1138	3908	5607	5699
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-)334	(-)2266	(-)658	622	3
22. Primary Deficit(-)/Primary Surplus(+)(21+23)	2555	778	2403	3198	2810
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	2889(14)	3044(12)	3061	2576	2807
24. Financial Assistance to local bodies etc.,	5422	6722	9086	9065	7023
25. Ways and Means Advances/Overdraft availed (days)	--	--	--	--	--
Ways and Means Advances availed (days)	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil
Overdraft availed (days)	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil
26. Interest on Ways and Means Advances/ Overdraft	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil	Nil/Nil
27. Gross State Domestic Product (GSDP)	148491	162946	194465(P)	215899(Q)	258744(A)
28. Outstanding Fiscal liabilities (year end)	39168	40613	42191	42467	43344
29. Outstanding guarantees (year end) (including interest)	1386	1027	2066	2510	2251
30. Maximum amount guaranteed (year end)	8380	8389	9789	10579	10579
31. Number of incomplete projects	41	35	68	150	151
32. Capital blocked in incomplete projects	137	115	227	352	347
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Own Tax revenue/GSDP	5.38	5.51	5.76	6.23	5.81
Own Non-Tax Revenue/GSDP	2.14	1.97	2.46	2.98	3.12
Central Transfers/GSDP	5.38	5.23	5.40	5.66	5.40
II Expenditure Management					
Total Expenditure/GSDP	16.96	17.83	17.47	18.42	17.03
Total Expenditure/Revenue Receipts	102.32	109.92	102.08	98.78	100.32

	2008-2009	2009-10	2010-11	2011-12	2012-13
Revenue Expenditure/Total Expenditure	84.15	87.06	86.46	87.14	86.75
Expenditure on Social Services/Total Expenditure	36.71	35.80	37.41	37.70	36.71
Expenditure on Economic Services/Total Expenditure	32.65	29.84	30.45	30.96	32.36
Capital Expenditure/Total Expenditure	15.01	12.56	12.61	11.30	12.76
Capital Expenditure on Social and Economic Services/Total Expenditure.	14.28	11.94	11.93	10.65	11.96
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	2.30	0.70	2.01	2.60	2.20
Fiscal deficit/GSDP	(-)0.22	(-)1.39	(-)0.34	0.29	0.00
Primary Deficit (surplus) /GSDP	1.72	0.48	1.24	1.48	1.04
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	26.38	24.92	21.70	19.67	16.75
Fiscal Liabilities/RR	159.15	153.66	126.79	105.46	98.65
V Other Fiscal Health Indicators					
Return on Investment	14.27	11.90	4.64	9.84	19.04
Balance from Current Revenue (₹ in crore)	4811	3166	6606	9946	12437
Financial Assets/Liabilities	0.84	0.87	0.95	1.07	1.19

APPENDIX – 1.4
(Refer paragraph 1.2 at page 2)

Abstract of receipt and disbursement for the year 2012-13

(₹ in crore)

2011-12	Receipts	2012-13	2011-12	Disbursements	Non-Plan	Plan	2012-13
Section A : Revenue							
40267.02	I.Revenue Receipts	43936.91	34660.23	I.Revenue Expenditure-	26645.23	11592.32	38237.55
13442.74	-Tax revenue	15034.13	10928.58	General services	12343.82	79.44	12423.26
--	--		14338.07	Social Services-	8347.09	6629.47	14976.56
6442.96	-Non-tax revenue	8078.03	6809.79	-Education, Sports, Art and Culture	5096.63	2166.44	7263.07
--	--		1324.99	-Health and Family Welfare	1103.80	577.37	1681.17
12229.13	-State's share of Union Taxes	1505.49	892.06	-Water Supply, Sanitation, Housing and Urban Development	609.60	498.39	1107.99
--	--		25.38	-Information and Broadcasting	31.56	3.83	35.89
2561.48	-Non-Plan grants	3483.62	982.65	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	570.73	619.37	1190.10
3853.22	-Grants for State Plan Schemes		83.58	-Labour and labour Welfare	50.00	41.79	91.79
--	--	1870.63	4148.48	-Social Welfare and Nutrition	828.78	2703.80	3532.58
1737.49	-Grants for Central and Centrally sponsored Plan Schemes		71.13	-Others	55.99	18.48	74.47
--	--		8732.47	Economic Services-	5312.82	4883.42	10196.24
--	--		3165.99	-Agriculture and Allied Activities	2114.12	1990.11	4104.23
--	--		1836.96	-Rural Development	868.11	1310.59	2178.70
--	--			-Special Areas Programmes			
--	--		860.24	-Irrigation and Flood control	806.95	236.27	1043.22
--	--		23.70	-Energy	10.21	5.99	16.20
--	--		253.25	-Industry and Minerals	99.48	155.03	254.51
--	--		1184.28	-Transport	1380.92	180.76	1561.68
--	--		51.41	-Science, Technology and Environment	13.35	42.97	56.32
--	--		1356.63	-General Economic Services	19.69	961.69	981.38
--	--		661.11	Grants-in-aid and Contributions-	641.49	--	641.49
--	II. Revenue deficit carried over to		5606.78	II. Revenue Surplus carried over			5699.35
Section B : Capital							
10004.87	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	11488.94	--	III. Opening Overdraft from Reserve Bank of India			
Nil	IV.Miscellaneous Capital receipts		4496.09	IV. Capital Outlay-	18.66	5603.52	5622.18

2011-12	Receipts	2012-13	2011-12	Disbursements	Non-Plan	Plan	2012-13
--	--	--	258.26	General Services-	15.92	335.30	351.22
--	--	--	656.83	Social Services-	2.97	1201.94	1204.91
--	--	--	100.11	-Education, Sports, Art and Culture	--	40.22	40.22
--	--	--	36.93	-Health and Family Welfare	--	83.77	83.77
--	--	--	212.75	-Water Supply, Sanitation, Housing and Urban Development	2.97	383.07	386.04
--	--	--	--	-Information and Broadcasting			
--	--	--	289.89	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	470.17	470.17
--	--	--	--	-Social Welfare and Nutrition		200.00	200.00
--	--	--	17.15	-Others			
--	--	--	3581.00	Economic Services-	-0.22	4066.27	4066.05
--	--	--	147.15	-Agriculture and Allied Activities	-0.04	48.20	48.16
--	--	--	--	-Rural Development	--	2.00	2.00
--	--	--	161.07	-Special Areas Programmes	--	148.50	148.50
--	--	--	1751.29	-Irrigation and Flood Control	--	2007.40	2007.40
--	--	--	181.09	-Energy	--	287.53	287.53
--	--	--	0.05	-Industry and Minerals	-11.79	0.05	-11.74
--	--	--	1249.36	-Transport	11.50	1532.85	1544.65
--	--	--	90.99	-General Economic Services	0.11	39.43	39.54
132.08	V. Recoveries of Loans and Advances-	142.47	621.01	V. Loans and Advances disbursed-	75.04	140.98	216.02
8.13	-From Power Projects		215.83	-For Power Projects			135.00
117.30	-From Government Servants		219.71	-To Government Servants			73.96
6.65	-From Others		185.47	-To Others			7.06
5606.78	VI. Revenue Surplus brought down	5699.35		VI. Revenue Deficit brought down			
1353.76	VII. Public debt receipts-	1879.55	2327.76	VII. Repayment of Public debt-			3179.86
Nil	-External debt		Nil	-External debt			
1120.99	-Internal debt other than Ways and Means Advances and overdrafts	1435.76	1781.07	-Internal debt other than Ways and Means Advances and Overdrafts			2665.72
--	Net transactions under Ways and Means Advances		--	- Net transactions under Ways and Means Advances			
--	- Net transactions under overdraft		--	-Net transactions under overdraft			
232.77	-Loans and Advances from Central Government	443.79	546.69	-Repayment of Loans and Advances to Central Government			514.14
--	VIII. Appropriation to Contingency Fund		--	VIII. Appropriation to Contingency Fund			--
375.00	IX .Amount transferred to Contingency Fund	15.89	2.81	IX. Expenditure from Contingency Fund			--
15486.73	X. Public Account receipts-	27545.35	14022.62	X. Public Account disbursements-			24886.31
2492.12	-Small Savings and Provident Funds	3001.00	2065.73	-Small Savings and Provident Funds			2309.92

Appendices

2011-12	Receipts	2012-13	2011-12	Disbursements	Non-Plan	Plan	2012-13
1660.76	-Reserve Funds	938.81	1181.89	-Reserve Funds	--	--	545.80
-32.28	-Suspense and Miscellaneous	8527.91	-28.34	-Suspense and Miscellaneous	--	--	8551.14
7240.16	-Remittance	8540.73	7231.46	-Remittances	--	--	8536.32
4125.97	-Deposits and Advances	6536.90	3571.88	-Deposits and Advances	--	--	4943.13
Nil	XI. Closing Overdraft from Reserve Bank of India		11488.94	XI. Cash Balance at end-	--	--	12867.19
--	--		--	Cash in Treasuries and Local Remittances	--	--	
--	--		-465.38	Deposits with Reserve Bank	--	--	-23.92
--	--		45.52	Departmental Cash Balance including permanent Advances	--	--	23.79
--	--		11908.80	Cash Balance Investment	--	--	12867.32
73226.24	Total	90708.46	73226.24	Total			90708.46

APPENDIX – 1.5
(Refer paragraph 1.3.2 at page 7)

Funds transferred directly to State implementing agencies

Sl. No	Government of India Scheme	Government of India release (₹ in lakh)		
		2010-11	2011-12	2012-13
1	Accelerated Rural Water Supply Programme	2,94,75.80	1,71,05.21	2,46,52.66
2	Administration And Monitoring Including Hrd And Training MNRE	..	6.30	..
3	Adult Education And Skill Development Scheme Merged Schemes Of Literacy Campaigns And Continuing Education	..	9,64.38	15,12.13
4	Afforestation And Forest Management	..	..	3,37.93
5	Assistance To State For Capacity Building Trauma Care	1,57.00	1,55.38	..
6	Assistance To Voluntary Organisation For Providing Social Defence Services Including Prevention Of Alcoholism And Drug Abuse SJE	..	..	15.00
7	Atmospheric Observation System Network	..	..	72.40
8	Baba Saheb Ambedkar Hasta Shilpa Vikash Yojana	1,78.00	..	..
9	Bioinformatics	10.24	5.50	6.32
10	Biotechnology For Societal Development	..	..	3.74
11	Capacity Building For Service Providers	..	16.00	..
12	Cataloguing Digitization Of Manuscripts And Ayush It Network	11.00	..	..
13	Commission For Scientific And Tech Terminology DHE	15.00	18.95	25.00
14	Community Polytechnics DHE	64.90	..	..
15	Comprehensive Scheme For Combating Trafficking	..	0.75	..
16	Conditional Cash Transfer Scheme For The Girl Child With Insurance Cover	..	..	1,08.44
17	Conservation Of Natural Resources And Ecosystems	2.00	..	0.98
18	Crime And Criminal Tracking Network And Systems	38,03.12	3,92.49	..
19	Deafness	..	..	2,32.49
20	Deen Dayal Disabled Rehabilitation Scheme SJE	10.06	..	..
21	Development And Strengthening Of Infrastructure Facilities For Production And Distribution Of Quality Seeds	2,73.19	..	11,04.85
22	Development Of Institutions	70.39	..	..
23	Disha Programme For Women In Science	..	..	19.85
24	DRDA Administration RD	16,19.00	26,02.56	12,12.53
25	Eap Component Of Cyclone Risk Mitigation Scheme	..	20,03.08	44,84.00
26	Educational Complexes In Low Literacy Pockets	7,64.24	6,00.00	69.07
27	Electronic Governance Dit	1,67.96	8,54.24	..
28	Fluorosis	84.20	..	..
29	Handlooms	12.93	..	..
30	Health Insurance For Unorganised Sector Workers L And E	..	1,27.21	..

Sl. No	Government of India Scheme	Government of India release (₹ in lakh)		
		2010-11	2011-12	2012-13
31	Health Insurance For Unorganised Sector Workers L and E	20,43.57	1,16.16	..
32	Hospitals And Dispensaries Under NRHM	13,83.12	70.67	..
33	HRD	1.25	..	..
34	HRD Training Programme Fellowship Exposure Visit Upgradation Of Skills Etc	..	3.50	..
35	Human Resource Development Biotechnology	60.42	39.02	35.91
36	Human Resources For Health	4,75.00	..	13,51.50
37	IC and JV and Asia Enterprises In India And Undertaking Investment Promotion Activities	6.80	..	..
38	India Meteorology Department	40.31	16.11	..
39	Information Education And Communication	..	1.18	..
40	Information Education And Communications	2.00	35.00	2.00
41	Information Publicity And Extension Mnre	4.20	46.28	31.47
42	Inspection And Maintenance Centre Strengthening Of Public Transport And Creation Of National Road Safety Board Rth	..	67.50	..
43	Inspire	45.50	15.02	..
44	Integrated Handloom Development Scheme	..	55.65	..
45	Integrated Watershed Management Program DPAP DDP IWDP DLR	1,23,28.58	1,14,66.59	1,01,26.90
46	Intensive Diary Development Programme	3,99.16	..	..
47	International Cooperation Activities	67.69	..	..
48	IT For Masses Gender SC ST DIT	..	..	78.84
49	Livestock Insurance	..	1,00.00	39.46
50	Marine Research And Technology Development	17.15	20.03	..
51	Marketing And Export Promotion Scheme For Handloom And Textiles	92.49	63.09	23.00
52	Marketing Research Surveys And Information Network	0.70	16.60	0.88
53	Marketing Support And Services	79.40	21.47	60.17
54	Medical Rehabilitation	..	11.95	7.60
55	Micro Irrigation	8,10.00	8,23.00	20,00.00
56	Mission Mode Project On E Panchayats	..	50.00	..
57	MPs Local Area Development Scheme MPLADS	57,05.00	96,00.00	1,51,00.00
58	MSME Clusters Development Programme and MSME Growth Poles	3.50	69.40	11.66
59	Nagar Palika Yuva Krida Aur Khel Abhiyan	..	5,00.00	5,30.00
60	Natiional Child Labour Project Including Grants In Aid To Voluntary Agencies L and E	10,74.02	13,14.51	15,29.37
61	National Afforestation and Eco Development Board	..	1,07.50	..
62	National Afforestation Programme	11,19.63	3,64.79	..
63	National Aids Control Including S T D Control Programme	23,07.08	..	..
64	National Aids Control Programme Iii	..	14,80.37	..
65	National Bamboo Mission	3,06.00	4,83.27	4,64.00
66	National Cancer Control Programme	27.51	3,34.15	..
67	National Food Security Mission	58,52.76	66,76.61	63,52.61
68	National Horticultural Mission	32,59.00	46,94.34	65,91.00

Sl. No	Government of India Scheme	Government of India release (₹ in lakh)		
		2010-11	2011-12	2012-13
69	National Medicinal Plants Board	15.34	1,69.62	..
70	National Mental Health Programme	5,28.00	22,50.00	..
71	National Mission On Medicinal Plants	1,66.69	4,75.58	1,11.00
72	National Programme For Health Care For The Elderly	..	2,23.88	..
73	National Programme For Prevention And Control Of Diabetes Cardiovascular Disease and Stroke	93.67	5,10.21	..
74	National Project For Cattle And Buffalo Breeding	6,46.94	6,00.00	..
75	National Project On Management Of Soil & Health	2,17.50	..	..
76	National River Conservation Plan	..	5,00.00	..
77	National Rural Employment Guarantee Scheme	15,61,86.38	9,78,21.72	8,47,97.88
78	National Rural Health Mission (NRHM)	1,70.36	51.06	1,39.48
79	National Rural Health Mission NrhM (CSS/DTF)	3,55,15.37	4,07,73.25	2,39,64.81
80	National Service Scheme	5.39	26.57	14.89
81	National St Finance And Development Corporation And Gia To State St Dev And Finance Corporation	..	3,00.00	..
82	New Initiative In Skill Development Through PPP	..	13.50	..
83	Off Grid DRPS MNRE	..	1,25.09	50.00
84	Panchayat Empowerment And Accountability Incentive Scheme	..	1,02.92	..
85	Panchayat Mahila Evam Yuva Shakti Abhiyan	..	..	51.13
86	Polar Science	..	..	1.50
87	Pollution Abatement	16.16	..	5.57
88	Polytechnic For Disabled DHE	24.00	..	..
89	Pradhan Mantri Gram Sadak Yojana Programme Component	20,46,10.43	19,69,95.27	87,25.14
90	Product Infrastructure Development For Destinations and Circuits	13,59.51	11,00.77	4,65.42
91	Project For Dairy Development Including For Clean Milk Production	..	6,02.75	..
92	Promotion Of Sports Among Disability	4.73	0.67	..
93	R and D In New And Renewable Energy Technologies MNRE	0.80	11.21	..
94	R E In Urban & Industrial Sectors, New & Renewable Energy	..	4.59	..
95	Rashtriya Gram Swaraj Yojana	3,14.00	5,44.00	2,09.00
96	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	89,83.00	1,28,86.89	2,15,42.51
97	Remote Villages Programmes Mnre	2,16.42	26,37.42	..
98	Renewable Energy For Rural Applications For All Villages MNRE	5,94.73	6,60.98	2,69.81
99	Research And Development	2.93	2.14	..
100	Research And Development Department Of Biotechnology	40.67	29.20	14.97
101	Research And Development For Conservation And Development	5.10	6.55	..
102	Research And Development Support Serc	88.81	4,00.37	48.50
103	Research And Mass Education Tribal	0.90	7.50	10.00

Sl. No	Government of India Scheme	Government of India release (₹ in lakh)		
		2010-11	2011-12	2012-13
	Festivals And Others			
104	Research Councils	5.00	0.68	..
105	Resource Support to State	..	..	4.40
106	Rural Housing IAY Rd	4,50,08.11	6,29,99.06	4,58,65.04
107	Sarva Shiksha Abhiyan	7,31,77.85	9,27,19.98	10,43,07.62
108	Scheme For Human Resource Development FPI	..	46.00	..
109	Scheme For Infrastructure Development Fpi	1,00.00	..	..
110	Scheme For Setting Up Of 6000 Model Schools at Block Level as Benchmark of Excellence	..	1,28,85.00	..
111	Scheme For Strengthening of Institutions Including Niftem	5.00	..	..
112	Scheme of Institute of Excellence Top Class Institute (Top Class Education)	95.00	76.35	2,06.89
113	Science and Technology Programme For Socio Economic Development	25.40	16.55	..
114	Setting Up of New Polytechnics and Strengthening of Existing Polytechnics DHE	80.00	..	..
115	Skill Development Initiative Through PPP L and E	..	3,06.75	16,83.75
116	Strengthening Promoting Agricultural Information System	..	4,00.00	..
117	Strengthening of Institutions For Medical Education Training And Research	..	2,94.04	..
118	Strengthening of the State Waqf Boards	..	..	6.26
119	Studies In Agricultural Economic Policy And Development	3,70.00	1,03.00	93.75
120	Support to State Extension Programme For Extension Reforms	18,38.86	48,82.35	42,49.98
121	Suvarna Jayanti Sahari Rojgar Yojana (SJSRY)	16,50.75	10,41.64	16,69.30
122	Swaranjayanti Gram Swarozgar Yojana		1,25,48.12	1,23,79.25
123	Swaranjayanti Gram Swarozgar Yojana (SGSY)	1,22,91.26		
124	Technology Development Programme	20.00	23.94	39.36
125	Technology Promotion Development And Utilization Programme TPDU DSIR	0.80	0.20	..
126	Top Class Education For SCS SJE	1,21.34	0.73	1,11.76
127	Total Sanitation Campaign	68,36.73	11,12.15	..
128	Total Sanitation Campaign		1,00,59.55	..
129	Womens Hostel In Polytechnics DHE	1,20.00	..	..
TOTAL		62,57,84.80	62,28,65.61	38,92,32.73

Note: 1 The total releases shown in this Appendix exclude an amount of ₹ 3,99,87.05 lakh released to Central Bodies located in the State as well as the various other organisation outside the purview of the Government of Odisha.
2. Above information is based on the data availability in Central Plan Scheme Monitoring System (CPSMS) portal of Controller General of Accounts (CGA).

APPENDIX – 1.6

(Refer paragraph 1.8.3 at page 25)

Statement of outcome budget during the financial year 2012-13

ST & SC Development Department (upto- January 2013)

(₹ In lakh)

Sl. No.	Name of the Scheme	FINANCIAL			PHYSICAL		
		Financial Target (₹ Lakh)	Financial Achievement (₹ Lakh)	Shortfall	Physical Target	Physical Achievement	Short fall
STATE PLAN							
1	Creation of Infrastructure in TASP areas under Article-275(1) of the Constitution	11284.00	5239.27 (46%)	6044.73	1625 nos of Infrastructure	626 (38%)	999 (62%)
2	Provision of solar lamps to 150 hostels having no electricity	90.75	53.58 (59%)	37.17	150	77 (51%)	73 (49%)
3	Preservation and Promotion of Tribal Culture & Crafts (GIA)	50.00	31.29 (63%)	18.71	Publication of 8	4 (50%)	4 (50%)
4	Implementation of computer education H.S and G.H. School	75.00	10.23 (14%)	64.77	75	11 (15%)	64 (85%)
5	Supply of Cooking gas (LPG) Equipment to hostel	100.00	30.76 (31%)	69.24	130	40 (31%)	90 (69%)
6	Construction of Hostels for ST Girls	21000.00	17119.50 (82%)	3880.50	1000	316 (32%)	684 (68%)
CENTRAL PLAN							
1	Establishment of Micro Project for Primitive Tribes (GIA)	325.00	88.10 (27%)	246.90	17 no of Micro projects	Not Completed	
2	GIA to STDCC for MFP operation	432.00	193.24 (45%)	238.76	Fair price support to 68 godowns.	Not completed.	

Panchayati Raj Department (upto January 2013)

(₹ In lakh)

Sl. No.	Name of the Scheme	FINANCIAL			PHYSICAL		
		Financial Outlay for 2012-13	Financial Achievement	Short fall by Dec. 2012	Physical Target	Physical Achievement	Short Fall
1	Mo Kudita	10000.00	4579.36 (46%)	5420.64	28168	7940 (28%)	20228 (72%)
2	GGY	15500.00	8088.47 (52%)	7411.53	7848	4221 (54%)	3627 (46%)
3	BRGF	41432.00	17986.00 (43%)	23446.00	10264	5922 (58%)	4342 (42%)
4	C. C. Road	15000.00	19785.43 (114)	4785.43	2,907	232 (7.98)	2,675 (92%)
5	IAY	101899.68	42868.05 (42%)	59031.63	395148	59877 (15%)	335271 (85%)

Fisheries and Animal Resources Development Department (upto January 2013)

(₹ In lakh)

Sl. No.	Name of the Scheme	FINANCIAL			PHYSICAL		
		Financial Outlay	Financial Achievement	Short fall	Physical Target	Physical Achievement	Short Fall
1	Strengthening of Dairy Organisation	500.00	5.00 (1%)	495.00	Operation Cost-8 Running Cost-1 Semen Straw Production-12	Operation Cost-8 Running Cost-1 Semen Straw Production-11.29	
2	Encouragement of Commercial Poultry Entrepreneur and Promotion of Backyard Poultry Production	100.00	29.29 (29.29%)	70.71	Recurring expenses for poultry breeding farms	Infrastructure improvement of 8 poultry breeding farms and two duck breeding farms	

APPENDIX – 1.7
(Refer paragraph 1.10.1 at page 32)

Summarised financial position of the Government of Odisha as on 31 March 2013

(₹ in crore)

As on 31 March 2012	Liabilities		As on 31 March 2013
17338.49	Internal Debt -		16108.53
5114.02	Market Loans bearing interest	3805.97	
0.11	Market Loans not bearing interest	0.09	
7.13	Loans from Life Insurance Corporation of India	4.74	
12217.23	Loans from other Institutions	12297.73	
Nil	Ways and Means Advances	Nil	
Nil	Overdrafts from Reserve Bank of India	Nil	
7279.20	Loans and Advances from Central Government -		7208.85
48.07	Pre 1984-85 Loans	46.47	
29.09	Non-Plan Loans	27.17	
7202.02	Loans for State Plan Schemes	7135.21	
0.02	Loans for Central Plan Schemes	----	
----	Loans for Centrally Sponsored Plan Schemes	----	
384.11	Contingency Fund		400.00
13972.38	Small Savings, Provident Funds, etc.		14663.47
3567.93	Deposits		5161.84
5331.76	Reserve Funds Advances		5724.78
50.98	Suspense and Miscellaneous Balances		-
698.12	Miscellaneous Capital Receipts		698.12
3614.23	Cumulative excess of receipts over expenditure		9350.84
52237.20	Total		59316.43
	Assets		
36823.84	Gross Capital Outlay on Fixed Assets -		42446.02
2908.07	Investments in shares of Companies, Corporations, etc.	2964.28	
33915.77	Other Capital Outlay	39481.74	
3903.13	Loans and Advances -		3976.69
2355.77	Loans for Power Projects	2490.77	
1051.15	Other Development Loans	1034.82	
496.21	Loans to Government servants and Miscellaneous loans	451.10	
9.62	Advances		9.77
11.67	Remittance Balances		7.26

As on 31.03.2012	Assets		As on 31.03.2013
-	Suspense and Miscellaneous Balances		12.01
	Cash -		12864.68
11488.94	Cash in Treasuries and Local Remittances	---	
-465.38	Deposits with Reserve Bank	-23.92	
45.52	Departmental Cash Balance including Permanent Advances	23.79	
2.06	Security Deposits	**	
5023.00	Investment of Earmarked Funds	5523.00	
6883.74	Cash Balance Investments	7341.81	
	Deficit on Government Account -	---	
5606.78	(i) Less Revenue Surplus of the current year		
	(ii) Appropriation to Contingency Fund		
1992.56	Accumulated deficit at the beginning of the year		
52237.20	Total		59316.43

** Included under Suspense and Miscellaneous

Note: Closing balance of the contingency fund has been taken under liabilities

Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Appendix 1.4, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹1,11.59 Lakh(Net Debit) between the figure reflected in the Accounts ₹23,92.38 Lakh (Net credit) and that intimated by the Reserve Bank of India ₹25,03.97 Lakh(Net Debit) relating to deposits with Reserve Bank of India included in the Cash Balance. After reconciliation and adjustment the difference to the extent ₹1,05.80 Lakh(Net Debit) remains to be reconciled (May-2013)

APPENDIX – 1.8

(Refer paragraph 1.13 at page 43)

Status of Public Private Partnership Projects in Odisha as on 31 March 2013

COMPLETED PPP PROJECTS

Sl. No.	Name of Project	PPP Type	Status	Remarks
Sector: Urban Development				
1	Market-cum-Residential at Bhubaneswar	DBT	Operational	
2	Commercial Shopping Complex at Bhubaneswar	DBOO	Operational	
3	A.C. Market Complex at Bhubaneswar	DBOT	Operational	
Sector: Health				
4	Magnetic radio imaging centre at SCB Medical College	BOT	Operational	M/s. Kolkata Imaging Institute is the concessionaire.
5-13	Management of nine (09) primary health care centres in Keonjhar(1), Cuttack(3), Kendrapara(2) and Balasore(3)	O&M	Operational	Service level standards are defined. Costs were borne out of CSR funds by corporate.
14	Odisha Emergency Medical Ambulance Service	O&M	Operational	M/s. Zigitsa is the concessionaire.
Sector: Finance & Revenue Related				
15	E-registration System (e-dharani)	O&M	Operational	
Sector: Transport				
16	Minor Port at Dhamara	BOOST	Operational	Phase-I is operational. Phase-II is under planning
17	Minor brown field port at Gopalpur	BOOST	Operational	Phase-I is operational. Land acquisition for Phase-II is underway.
18	Driving Training Institute at Chhatia	O&M	Construction	Under Central Government Scheme.
Sector: Industrial Infrastructure				
19	Up-gradation of common infrastructure in Kalinganagar Industrial Complex	Beneficiary Participation	Operational	Under the IIUS Scheme.
20	Up-gradation of common infrastructure in plastics and polymers park in Balasore	Beneficiary Participation	Operational	Under the IIUS Scheme.
Sector: Roads				
21	29 km Palaspanga-Bameberi Expressway	Beneficiary Participation	Operational	
Sector: Tourism				
22	Heritage hotel at Mahodadhinivas	DBOT	Operational	
23	Eco camp at Ramchandi	DBOT	Operational	
24-26	Three (03) South Indian restaurants at Konark, Cuttack & Satapada	Lease & Transfer	Operational	
Sector: Education				
27-40	Up-gradation of 14 numbers of Industrial Training Institutes at Puri, Cuttack, Umakote, Chhatrapur, Barbil, Baripada, Takatpur, Dhenkanal, Malkangiri, Boudh, Baragarh, Anandapur, Khariar and Bolangir	BOO	Operational	Under Central Government Scheme.
Total – 40 Projects				

PPP PROJECTS IN PIPELINE UNDER IMPLEMENTATION

Sl. No.	Name of Project	PPP Type	Status	Remarks
Sector: Urban Development				
1	Integrated Residential complex at Ranasinghpur	DBOT	Construction	
2	Integrated Residential complex at Patrapada	DBOT	Construction	
3	Integrated Commercial Complex at Gadakan	BOT	Construction	
4	Development of Foot Over Bridges at Master Cantten, RamaDevi College and jaydev Vihar	DBOT	Construction	
Sector: Transport				
5	Minor port at Subarnarekha mouth (kirtania)	BOOST	Construction	
6	Minor port at Astaranga	BOOST	Construction	
7-8	Two(02) bus terminals at Dhenkanal & Angul	DBFOT	Construction	
9	Haridaspur-Paradeep railway corridor	Beneficiary Participation	Construction	
Sector: Industrial Infrastructure				
10	Info-Park in Bhubaneswar	BOT	Construction	01 st phase likely to be completed in Sep. 2013
11	Biotech Park in Bhubaneswar	BOT	Construction	
12	Mega Food Park in Rayagada district	Joint venture	Construction	Under the schemem of MoFPI, GoI.
Sector: Tourism				
13-20	Development of eight (08) tourism department properties	Renovate, augment, operate & transfer	Construction	
Sector: Power Transmission				
21	IB- Meramundali 400 KV D.C. line	BOT (Annuity)	Construction	
Total – 21 Projects				

PPP PROJECTS IN PIPELINE

Sl. No.	Name of Project	PPP Type	Status	Remarks
Sector: Urban Development				
1	Bulk Water Supply project for IIT, NISER, Infocity-II and adjoining areas	BOOT	Pipeline	Application for Central VGF is under consideration
2	Energy efficient public street lighting project in Bhubaneswar	DBFOT	Pipeline	RfP issued
3	Development of Regional Land fill and Municipal Solid Waste Processing Facility for Bhubaneswar and Cuttack	DBOT	Pipeline	RfP issued
4	Municipal solid waste management facility for Berhampur	DBOT	Pipeline	RfP issued
5	Municipal solid waste management facility for Sambalpur	DBOT	Pipeline	
6	Development of truck terminal at Jagatpur	BOT	Pipeline	
7	Integrated Residential and commercial complex at Suango	DBOT	Pipeline	Selection of developer has been completed.

Sl. No.	Name of Project	PPP Type	Status	Remarks
8	Interated Residential and commercial complex at Ranasinghpur	DBOT	Pipeline	Selection of developer has been completed.
9	Integrated Residential and commercial Complex at Paikarapur	BOT	Pipeline	Selection of developer has been completed.
10	Integrated Residential and Commercial Complex at Shankarpur	BOT	Pipeline	Selection of developer has been completed.
Sector: Health				
11	Development of a Medical College and associated Hospital at Bolangir	DBFOT	Pipeline	Application for Central VGF is under consideration.
Sector: Finance & Revenue Related				
12	Modernisation of seven border checkgates at Girisola, Jamsolaghat, Kereda, Sunki, Birahandi, Nalda and Govindpur	BOT	Pipeline	Possession of land is underway
Sector: Transport				
13	Captive Port at Chudamani	BOO	Pipeline	MoU has been signed. Concession agreement is pending as the matter is sub-judice.
Sector: Roads				
14	4- laning of 165 km Sambalpur-Rourkela	BOT (Toll)	Pipeline	Final approval of Central VGF obtained.
15-24	1)18 km Joda-Bamebari expressway in Keonjhar district. 2)56 km Bisoi-Dubuna road-ODR-in Keonjhar district 3)30 km Bisoi-Rairangpur road in Mayurbhanj district 4)60 km Jamjhadi-basudevpur-Dhamara road in Bhadrak district 5)67 km Satkutia-Patna road in Keonjhar district 6) 32.5 km high level bridge over river IB in Jharsuguda district 7)70 km Capital Region Ring Road bypassing Bhubaneswar & Cuttack 8) 102 km Sohela-Padampur-Nuiapada road in Bargarh and Nuapada districts 9) 58 km Khalikote-Bairani-Asha road in Ganjam district 10) 25 No. RODs identified in consultation with Indian Railways		Pipeline	Various technical studies underway
Sector: Tourism				
25	Development of water sports facilities in selected water bodies at 15 locations.	BOT	Pipeline	EoI issued
26	Development of house boating facilities in selected water bodies at 15 locations	BOT	Pipeline	EoI issued
27	Development of amusement park and public aquarium project	DBFOT	Pipeline	EoI issued
28	Development of camping site, Eco cottages of Star category in Tampara, Ramchandi, dredged island of Childa lake, Patisonapur	BOT	Pipeline	

Sl. No.	Name of Project	PPP Type	Status	Remarks
Sector: Education				
29-31	Development of three (03) Model residential Public Schools.	DBFOT	Pipeline	Application for Central VGF is under consideration
Sector: Power Transmission				
32-35	1) 2*135 MVA, 400/220/33KV substation at Khuntuni; 30 km LILO of 2ckts of 400 KV Mermundali – Mendhasal line; and 60 km LILO of 2 ckts of 400 Kv Meramundali – Duburi line 2) 2*135 MVA, 400/220/33KV substation at Kuanramunda; 100 km 400KV D/C line from Lapanga to Kuanramunda; and 21 km 400 KV D/C line from Kuanramunda to Bisra 3) 2*135 MVA, 400/220/33KV substation at Paradeep; and 70 km 400 KV D/C line from Paradeep to Duburi 4) 150 km 400 KV D/C line from Paradeep to Uttara (jatani)	DBFOT	Pipeline	Transaction Advisor engaged. Preliminary feasibility & survey work completed.
Total – 35 Projects				
Grand Total – Odisha (96 Projects)				

DBT: Design, Built and Transfer,
DBOO: Design, Built, Own and Operate,
DBOT: Design, Built, Operate and Transfer,
BOT: Built, Operate and Transfer,
O&M: Operation & Maintenance,
BOO: Built, Own and Operate,
BOOST: Built, Own, Operate, Share and Transfer,
DBFOT: Design, Built, Finance, Operate and Transfer.

APPENDIX – 2.1

(Refer paragraph 2.3.1 at page 48)

Statement of various grants/appropriations where saving was more than ₹ 10 crore in each case and more than 20 per cent of the total provision during 2012-13

(₹ in crore)

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/Appropriation	Actual Expenditure	Savings out of Total Provision	Percentage of savings to total provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue (Charged)						
1	2049	Interest Payments	4511.59	2807.23	1704.36	37.78
Revenue (Voted)						
2	3	Revenue	1887.42	854.17	1033.25	54.74
3	5	Finance	7135.88	5586.16	1549.72	21.72
4	8	Odisha Legislative Assembly	46.05	25.38	20.67	44.89
5	27	Science and Technology	43.89	33.41	10.48	23.88
6	33	Fisheries and Animal Resource Development	373.03	295.26	77.77	20.85
7	37	Information Technology	122.63	56.66	65.97	53.80
Capital (Voted)						
8	2	General Administration	113.18	75.20	37.98	33.56
9	5	Finance	120.43	95.87	24.56	20.39
10	16	Planning and Co-ordination	949.09	149.10	799.99	84.29
11	19	Industries	3.25	-8.54	11.79	362.77
12	22	Forest and Environment	77.67	27.61	50.06	64.45
13	30	Energy	560.07	422.53	137.54	24.56
14	33	Fisheries and Animal Resources Development	41.32	8.27	33.05	79.99
15	34	Co-operation	41.57	13.51	28.06	67.50
16	38	Higher Education	68.50	-7.82	76.32	111.42
17	39	Employment and Technical Education and Training	203.51	69.88	133.63	65.66
Total			16299.08	10503.88	5795.20	35.56

Source: Appropriation Accounts 2012-13, Government of Odisha.

APPENDIX – 2.2

(Refer paragraphs 2.3.2 at page 50 and 2.5 at page 56)

List of Grants indicating persistent savings during 2008-13

(₹ in crore)

Sl No	Number of the Grant and name of the Department	Amount of savings				
		2008-09	2009-10	2010-11	2011-12	2012-13
Revenue (Charged)						
1	2049- Interest Payments	1422.49 (33)	1548.43 (34)	890.66 (23)	1470.90 (36)	1704.36 (38)
Revenue (Voted)						
2	1-Home	141.86 (11)	170.68 (11)	122.58 (7)	188.84 (10)	192.66 (9)
3	3-Revenue	2488.20 (74)	604.97 (47)	702.40 (38)	701.91 (17)	1033.25 (55)
4	5-Finance	1661.87 (43)	889.31 (21)	1484.09 (26)	1061.41 (18)	1549.72 (22)
5	10-School and Mass Education	425.77 (11)	624.83 (13)	846.07 (16)	418.64 (8)	806.54 (12)
6	11-ST, SC, OBC and Minorities Development	74.78 (11)	107.14 (13)	83.40 (9)	79.25 (7)	168.51 (12)
7	12-Health and Family Welfare	313.57 (26)	466.95 (29)	341.03 (22)	180.54 (12)	201.73 (11)
8	13-Housing and Urban Development	60.29 (8)	160.91 (15)	105.82 (10)	212.74 (17)	100.91 (7)
9	16-Planning and Co-ordination	16.61 (3)	37.57 (7)	111.95 (24)	65.18 (5)	151.25 (13)
10	17-Panchayati Raj	133.58 (9)	227.22 (15)	38.95 (2)	190.20 (8)	437.70 (15)
11	20-Water Resources	103.34 (15)	135.27 (17)	139.12 (15)	179.54 (17)	158.94 (13)
12	22-Forest and Environment	50.49 (14)	54.99 (14)	38.91 (10)	42.57 (11)	98.06 (17)
13	33-Fisheries and Animal Resources Development	55.86 (20)	69.49 (24)	60.79 (19)	55.43 (16)	77.76 (21)
14	36-Women and Child Development	151.16 (9)	388.80 (19)	369.05 (15)	273.32 (8)	236.48 (7)
15	38-Higher Education	63.44 (10)	58.14 (6)	27.81 (2)	26.55 (2)	65.67 (5)
Capital (Voted)						
16	1-Home	18.12 (13)	60.01 (42)	20.51 (10)	39.12 (15)	65.66 (18)
17	7-Works	195.82 (17)	91.98 (11)	186.92 (16)	234.87 (20)	102.04 (9)
18	20-Water Resources	242.05 (14)	383.69 (20)	453.47 (22)	457.77 (21)	254.06 (11)
19	28-Rural Development	104.17 (12)	169.63 (23)	33.97 (7)	119.75 (19)	63.84 (10)

Source: Appropriation Accounts for the respective years of Government of Odisha**Note:** Figures in brackets represent percentage to total grants

APPENDIX – 2.3
(Refer paragraph 2.3.3 at page 50)

Expenditure incurred without provision during 2012-13

Sl. No.	Number of the grant and name of the Department	Particulars	Amount of Expenditure without provision (₹ in lakh)	Reasons/Remarks
1	03-Revenue and Disaster Management	2245-Relief on account of Natural Calamities-NP-80-General-800-Other Expenditure-0836-Lump provision for other works	41.76	Reasons for expenditure in the absence of any provision have not been intimated to Pr. AG (A&E) (June 2013).
2	10-School and Mass Education	2202-General Education-CP-SS-80-General-003-Training-0156-College Teachers Education	79.70	
3	10-School and Mass Education	2202-General Education-CP-SS-80-General-003-Training-0318-District Institute of Education and Training	328.34	
4	10-School and Mass Education	2202-General Education-CP-SS-80-General-003-Training-0721-Institute of Advance Studies in Education	103.89	
5	10-School and Mass Education	2202-General Education-CP-SS-80-General-789-Special Component Plan for Scheduled Caste-0156-College Teachers Education	68.10	
6	10-School and Mass Education	2202-General Education-CP-SS-80-General-789-Special Component Plan for Scheduled Caste-0318-District Institute of Education and Training	63.51	
7	10-School and Mass Education	2202-General Education-CP-SS-80-General-796-Tribal Area Sub-Plan-0156-College Teachers Education	10.52	
8	10-School and Mass Education	2202-General Education-CP-SS-80-General-789-Special Component Plan for Scheduled Caste-0318-District Institute of Education and Training	230.77	
9	19-Industries	2581-Village and Small Industries-CSP-DS-102-Small Scale Industries-2548-Upgradation of Industrial Infrastructure at Plastic, Polymer and allied cluster at Balasore under IIUS	113.02	
10	20-Water Resources	2700-Major Irrigation-NP-80-General-799-Suspense-0373-Engineer-in-Chief – Office Establishment	9.55	
11	20-Water Resources	4701-Capital Outlay on Medium Irrigation-SP-SS-98-Upkeeping of Existing Irrigation Sysytem-Commercial-800-Other Expenditure-0147-Clearance of Liabilities	65.63	
12	23-Agriculture	2401-Crop Husbandry-SP-DS-789-Special Component Plan for Scheduled Castes-2611-Infrastructure Development of Sale Centre	8.50	
13	23-Agriculture	2401-Crop Husbandry-SP-DS-796-Tribal Area Sub-Plan -2611-Infrastructure Development of Sale Centre	11.50	
14	23-Agriculture	2401-Crop Husbandry-SP-DS-800-Other Expenditure-2611-Infrastructure Development of Sale Centre	30.00	

Sl. No.	Number of the grant and name of the Department	Particulars	Amount of Expenditure without provision (₹ in lakh)	Reasons/Remarks
15	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-SS-104-Handicraft Industries-2647-Marketing Support and Services	21.51	Reasons for expenditure in the absence of any provision have not been intimated to Pr. AG (A&E) (June 2013).
16	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-103-Handloom Industries-2728-Revival, Reform and Restructuring package for Handloom Sector	316.86	
17	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-107-Sericulture Industries-1115-Promotion of Sericulture Industries	194.24	
18	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-789-Special Component Plan for Scheduled Castes -1115-Promotion of Sericulture Industries	64.50	
19	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-789-Special Component Plan for Scheduled Castes -2728-Revival, Reform and Restructuring package for Handloom Sector	28.86	
20	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-796-Tribal Area Sub-Plan - 1115-Promotion of Sericulture Industries	117.79	
21	31-Handlooms, Textile and Handicrafts	2851-Village and Small Industries-CSP-DS-796-Tribal Area Sub-Plan - 2728-Revival, Reform and Restructuring package for Handloom Sector	736.55	
22	39-Employment and Technical Education and Training	2203-Technical Education-CSP-SS-105-Polytechniques-2519-Establishment of Advance Plastic Processing Technology Centre (APPTC) at Balasore	225.00	
Total			2870.10	

Source: Appropriation Accounts for 2012-13, Government of Odisha.

APPENDIX – 2.4
(Refer paragraph 2.3.6 at page 51)

Statement showing cases where supplementary provision (₹ 1crore or more in each case) proved unnecessary during 2012-13

(₹ in crore)					
	Number and Name of the Grant	Original Provision	Actual expenditure	Savings out of Original provision	Supplementary provision
A Revenue (Charged)					
1	1-Home	36.83	31.30	5.53	1.38
Total for Charged		36.83	31.30	5.53	1.38
A Revenue (Voted)					
2	1-Home	2108.64	2017.31	91.33	101.33
3	2-General Administration	94.87	93.98	0.89	3.77
4	3-Revenue	1731.93	854.17	877.76	155.48
5	5-Finance	7124.55	5586.16	1538.39	11.32
6	6-Commerce	55.97	54.83	1.14	1.06
7	7-Works	1171.02	1159.48	11.54	14.69
8	10-School and Mass Education	6526.33	5897.99	628.34	178.20
9	12-Health and Family Welfare	1677.60	1673.90	3.70	198.03
10	13-Housing and Urban Development	1354.22	1277.61	76.61	24.31
11	17-Panchayati Raj	2561.33	2499.06	62.27	375.43
12	20-Water Resources	1208.83	1090.37	118.46	40.48
13	22-Forest and Environment	513.85	478.07	35.78	62.27
14	24-Steel and Mines	38.43	36.25	2.18	1.07
15	28-Rural Development	1115.54	1102.26	13.28	6.84
16	31-Handlooms, Textile and Handicrafts	129.32	116.62	12.70	2.25
17	33-Fisheries and Animal Resources	363.44	295.26	68.18	9.58
18	38-Higher Education	1224.27	1188.86	35.41	30.26
19	39-Employment and Technical Education and Training	171.14	150.26	20.88	13.02
20	40-Micro Small and Medium Enterprises	60.61	58.88	1.73	10.57
Total for (Voted)		29231.89	25631.32	3600.57	1239.96
Total for Revenue		29268.72	25662.62	3606.10	1241.34
B Capital (Voted)					
21	3-Revenue	67.23	57.97	9.26	1.00
22	12-Health and Family Welfare	142.73	126.33	16.40	6.60
23	13-Housing and Urban Development	224.54	203.47	21.07	16.15
24	16-Planning and Co-ordination	941.42	149.10	792.32	7.67
25	28-Rural Development	604.80	562.77	42.03	21.81
26	30-Energy	527.07	422.53	104.54	33.00
27	34-Co-operation	40.57	13.50	27.07	1.00
28	39-Employment and Technical Education and Training	182.06	69.88	112.18	21.44
Total for Capital		2730.42	1605.55	1124.87	108.67
Grand Total		31999.14	27268.17	4730.97	1350.01

Source: Appropriation Accounts 2012-13, Government of Odisha.

APPENDIX – 2.5
(Refer paragraph 2.3.6 at page 51)

Statement showing cases where supplementary provision (₹ 1 crore or more in each case) proved excessive during 2012-13

(₹ in crore)

Sl.No	Number and Name of the Grant	Original Provision	Supplementary provision	Total Provision	Actual expenditure	Excess Supplementary provision
Revenue (Voted)						
1	9-Food Supplies	1192.58	77.75	1270.33	1254.37	15.96
2	11-ST, SC & OBC	1190.49	243.26	1433.75	1265.24	168.51
3	15-Sports and Youth	52.69	4.94	57.63	54.42	3.21
4	16-Planning and Co-ordinationl	386.90	752.05	1138.95	987.70	151.25
5	21-Transport	35.96	15.16	51.12	48.97	2.15
6	23-Agriculture	1526.12	129.66	1655.78	1558.55	97.23
7	25-Information and PR	39.08	6.60	45.68	42.30	3.38
8	32-Tourism and Culture	80.28	8.87	89.15	85.77	3.38
9	34-Co-operation	201.06	373.27	574.33	568.41	5.92
10	36-Women and Child Development	2572.19	712.50	3284.69	3048.21	236.48
Total for Revenue		7277.35	2324.06	9601.41	8913.94	687.47
Capital (Charged)						
11	20-Water Resources	9.53	2.55	12.08	9.58	2.50
Capital (Voted)						
12	1-Home	237.87	127.62	365.49	299.83	65.66
13	11-ST,SC & OBC	415.22	61.24	476.46	470.17	6.29
14	32-Tour ism & Culture	44.64	3.85	48.49	47.07	1.42
Total for Capital		707.26	195.26	902.52	826.65	75.87
Grand Total		7984.61	2519.32	10503.93	9740.59	763.34

Source: Appropriation Accounts 2012-13, Government of Odisha.

APPENDIX – 2.6
(Refer paragraph 2.3.7 at page 51)

Statement showing excess / unnecessary re-appropriation of funds during 2012-13
(₹ in crore)

Sl. No.	Grant No.	Description	Net Re-appropriation	Final Excess(+) / Saving(-)
1	5-Finance	2071-NP-01-101-1040-Pension of Govt. servants	153.59	-1.47
2	7-Works	2059-NP-80-001-0127-Chief Engineer, Road and Building –Office Establishment	0.10	-1.26
3	7-Works	5054-SP-SS-04-800-0836-Lump Provision of other Works	8.06	-7.00
4	10-School and Mass Education	2202-CSP-DS-01-112-0900-Mid-Day Meals	1.85	-102.89
5	10-School and Mass Education	2202-CSP-DS-01-789-0900- Mid-Day Meals	0.86	-40.69
6	10-School and Mass Education	2202-CSP-DS-01-796-0900- Mid-Day Meals	0.99	-27.10
7	10-School and Mass Education	2202-CSP-SS-01-796-0900- Mid-Day Meals	-0.99	-18.19
8	10-School and Mass Education	2202-SP-DS-02-110-0984-Non-Government High Schools	3.82	-2.17
9	12-Health and Family Welfare	4216-SP-DS-01-796-2588-13 th F.C. Award for up-gradation of Health Infrastructure	6.30	-1.84
10	20-Water Resources	4700-SP-SS-11-796-2160-Accelerated Irrigation Benefit Programme(AIBP)	-9.98	-5.01
11	20-Water Resources	4700-SP-SS-19-789-2176-JBIC, Assisted Rengali Irrigation Project(EAP), Phase-I	6.00	-12.42
12	20-Water Resources	4700-SP-SS-19-796-2176- JBIC, Assisted Rengali Irrigation Project(EAP), Phase-I	0.72	-9.74
13	20-Water Resources	4701-SP-SS-80-800-2345- Other Plan Programmes for Medium Irrigation	77.48	-2.13
14	20-Water Resources	4701-SP-SS-97-789-2161-Rural Infrastructure Development Fund(RIDF)	18.93	-7.58
15	20-Water Resources	4702-SP-DS-796-2535-Construction of control structure for instream storage schemes Check dam	8.68	-4.47
16	28-Rural Development	5054-SP-SS-04-800-1230-Rural Roads	2.69	-2.09
17	38-Higher Education	2202-NP-03-104-0973-Non-Government Colleges	-16.14	-2.01
			262.96	-248.06
18	1-Home	2055-NP-109-0321-District Organisation	-1.22	2.49
19	2-General Administration	5053-SP-SS-02-102-2339-Construction of Aerodromes	8.29	1.73
20	7-Works	5054-SP-SS-03-337-1994-Odisha State Roads Project- Road Improvement Component(EAP)	-17.82	14.76
21	7-Works	5054-SP-SS-04-800-1581-Works Executed from Central Road Fund	-6.71	7.00
22	10-School and Mass Education	2202-CSP-SS-01-112-0900- Mid-Day Meals	-1.85	5.49
23	10-School and Mass Education	2202-SP-DS-01-112-0900- Mid-Day Meals	11.62	74.69

Sl. No.	Grant No.	Description	Net Re-appropriation	Final Excess(+) / Saving(-)
24	10-School and Mass Education	2202-SP-SS-01-112-0900- Mid-Day Meals	-0.29	22.72
25	10-School and Mass Education	2202-CSP-SS-01-789-0900- Mid-Day Meals	-0.86	4.25
26	10-School and Mass Education	2202-SP-DS-01-789-0900- Mid-Day Meals	4.36	25.37
27	10-School and Mass Education	2202-SP-SS-01-789-0900- Mid-Day Meals	-0.58	12.21
28	10-School and Mass Education	2202-SP-DS-01-796-0900- Mid-Day Meals	4.85	29.77
29	10-School and Mass Education	2202-SP-SS-01-796-0900- Mid-Day Meals	-0.81	14.37
30	12-Health and Family Welfare	2210-NP-03-103-1092-Primary Health Centre	-2.35	2.49
31	12-Health and Family Welfare	2251-NP-080-0630-Health and Family Welfare Department	1.65	1.21
32	12-Health and Family Welfare	4210-SP-DS-02-796-2588-13 th F.C. Award for up-gradation of Health Infrastructure	11.99	2.39
33	20-Water Resources	2700-NP-07-101-0851-Maintenance and Repair	0.03	1.74
34	20-Water Resources	2700-NP-12-101-0239-Dam and Appurtenant Work Executive	-0.18	2.36
35	20-Water Resources	2700-NP-80-005-0456-Executive Engineers-Establishment	0.32	1.53
36	20-Water Resources	3451-NP-090-1556-Water Resources Department	1.20	6.64
37	20-Water Resources	4700-SP-SS-14-800-2160- Accelerated Irrigation Benefit Programme (AIBP)	-8.00	30.50
38	20-Water Resources	4700-SP-SS-15-789-2160- Accelerated Irrigation Benefit Programme(AIBP)	-1.22	3.23
39	20-Water Resources	4700-SP-SS-15-800-2160- Accelerated Irrigation Benefit Programme(AIBP)	-21.29	3.93
40	20-Water Resources	4700-SP-SS-19-789-2177- JBIC, Assisted Rengali Irrigation Project(EAP), Phase-II	15.39	13.16
41	20-Water Resources	4700-SP-SS-19-796-2177- JBIC, Assisted Rengali Irrigation Project(EAP), Phase-II	12.86	10.37
42	20-Water Resources	4700-SP-SS-20-789-2160-Accelerated Irrigation Benefit Programme(AIBP)	-0.06	4.63
43	20-Water Resources	4700-SP-SS-20-796-2160-Accelerated Irrigation Benefit Programme(AIBP)	12.57	4.36
44	20-Water Resources	4700-SP-SS-20-800-2160-Accelerated Irrigation Benefit Programme(AIBP)	-6.03	7.16
45	20-Water Resources	4701-SP-SS-47-796-2725-Medium Irrigation Project under State Plan	-0.03	2.55
46	20-Water Resources	4701-SP-SS-58-796-2160-Accelerated Irrigation Benefit Programme(AIBP)	10.00	2.20
47	20-Water Resources	4701-SP-SS-65-001-2034-Odisha Integrated Irrigated Agrl. And Water Management Projects(EAP)	-3.21	3.90
48	20-Water Resources	4701-SP-SS-65-789-2034- Odisha Integrated Irrigated Agrl. And Water Management Projects(EAP)	-14.85	2.88
49	20-Water Resources	4701-SP-SS-65-796-2034- Odisha Integrated Irrigated Agrl. And Water Management	-0.88	1.60

Sl. No.	Grant No.	Description	Net Re-appropriation	Final Excess(+) / Saving(-)
		Projects(EAP)		
50	20-Water Resources	4701-SP-SS-65-800-2034- Odisha Integrated Irrigated Agrl. And Water Management Projects(EAP)	-38.06	5.41
51	20-Water Resources	4701-SP-SS-80-789-2345-Other Plan Programmes for Medium Irrigation	21.66	1.08
52	20-Water Resources	4701-SP-SS-80-796-2345- Other Plan Programmes for Medium Irrigation	40.30	1.47
53	20-Water Resources	4701-SP-SS-97-796-2161- Rural Infrastructure Development Fund(RIDF)	4.00	4.00
54	20-Water Resources	4701-SP-SS-97-800-2161- Rural Infrastructure Development Fund(RIDF)	7.27	3.79
55	20-Water Resources	4702-SP-DS-796-2624-Maga Lift Project under State Plan	-1.18	28.83
56	20-Water Resources	4702-SP-SS-800-2487- Capacity building for RIDF/Other Projects	-1.75	2.50
57	20-Water Resources	4702-SP-DS-800-2535- Construction of control structure for instream storage schemes Check dam	25.82	4.31
58	20-Water Resources	4702-SP-DS-800-2624- Maga Lift Project under State Plan	-42.82	50.22
59	23-Agriculture	2401-NP-001-0310- District Establishment-Horticulture	3.45	1.01
60	23-Agriculture	3451-NP-090-0034- Agriculture Department	0.03	1.24
61	28-Rural Development	5054-SP-SS-80-789-1230- Rural Roads	0.77	1.03
62	28-Rural Development	5054-SP-SS-80-796-1230- Rural Roads	1.03	1.13
63	31-Handloom, Textile and Handicraft	2851-SP-DS-103-2127-Integrated handloom Devp. Scheme- Marketing	1.09	2.14
64	31-Handloom, Textile and Handicraft	2851-SP-DS-103-2728-Revival, Reform and Restructuring package for Handloom Sector	-12.09	3.17
65	31-Handloom, Textile and Handicraft	2851-SP-DS-796-1115- Promotion of Sericulture Industries	0.32	1.18
66	36-Women and Child Development	2235-SP-DS-60-102-2097- Madhubabu Pension for Destitute	35.00	18.25
67	38-Higher Education	2202-SP-SS-03-103-0549- Government General Colleges	-5.00	1.00
68	38-Higher Education	2202-NP-03-104-2090- Non-Government Colleges transferred from State Plan during 2008-2009	24.94	1.98
			71.67	457.42

Source: Monthly Appropriation Reports, March 2013(S), Government of Odisha.

APPENDIX – 2.7

(Refer paragraph 2.3.9 at page 53)

**Statement showing results of substantial surrenders made during the year 2012-13
(₹ 10 crore or more in each case)**

Sl. No	Number and title of Grant	Name of the scheme (Head of Account)	Amount of Surrender (₹ in crore)	Percentage of Surrender	Reasons for Surrender
1	01-Home	4059-Capital Outlay on Public Works-CSP-DS-60-Other Buildings-051-Construction-0925-Modernisation of Police Force	15.57	100	Due to non-release of central share by Government of India
2	10-School and Mass Education	2202-General Education-SP-DS-01-Elementary Education-111-Sarva Shiksha Abhiyan-2551-13 th FC Grants for Elementary Education	124.44	100	Due to non-receipt of central assistance.
3		2202-General Education-SP-DS-01-Elementary Education-789-Special Component Plan for Scheduled Castes-2551-13 th FC Grants for Elementary Education	34.68	100	
4		2202-General Education-SP-DS-01-Elementary Education-796-Tribal Area Sub Plan-2551-13 th FC Grants for Elementary Education	44.88	100	
5		2202-Genenral Education-CP-SS-05-Language Development-102-Promotion of Modern Indian Language and Literature-2486-Infrastructure Devp. of Private aided / Un-aided Minority Institute(IDMI)	10.89	100	Due to release of Central assistance directly to the implementing agencies outside the State Budget.
6		2235-Social Security and Welfare-CP-SS-02-Social Welfare-101-Welfare of Handicapped-0976-Non-Government Secondary Schools	24.00	100	Due to non-receipt of central assistance.
7	16-Planning and Co-ordination	3451-Secretariat Economic Services-SP-SS-092-Other Offices-2732-Odisha Modernising Economy Governance and Administration(OMEGA)	20.00	100	Due to (i) less requirement and (ii) non-finalisation of training programme.
8		3451-Secretariat Economic Services-SP-SS-102-District Planning Machinery-2617-Capacity Building for Dist. Planning and Monitoring Units	15.00	100	No reason assigned.
9		4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-789-Special Component Plan for Scheduled Castes-2173-Western Odisha Development Council (WODC)	13.09	100	Due to withdrawn of the amounts from these heads for their incorporation under concerned revenue major heads.
10	4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-789-Special Component Plan for Scheduled Castes-2619-Backward District Initiative (BDI)	74.70	100		

Sl. No	Number and title of Grant	Name of the scheme (Head of Account)	Amount of Surrender (₹ in crore)	Percentage of Surrender	Reasons for Surrender
11	16-Planning and Co-ordination	4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-796-Tribal Area Sub-Plan-2173-Western Odisha Development Council (WODC)	17.95	100	Due to withdrawal of the amounts from these heads for their incorporation under concerned revenue major heads.
12		4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-796-Tribal Area Sub-Plan -2619-Backward District Initiative (BDI)	166.10	100	
13		4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-800- Other Expenditure-2173-Western Odisha Development Council (WODC)	48.46	100	
14		4575-Capital Outlay on other Special Areas Programme-SP-DS-02-Backward Areas-800- Other Expenditure -2619-Backward District Initiative (BDI)	259.20	100	
15		5475-Capital Outlay on other General Economic Services-SP-SS-800-Other Expenditure-2375-Grants for Special Problem Fund	20.00	100	
16		5475-Capital Outlay on other General Economic Services-SP-SS-800-Other Expenditure-2618-State Visibility Gap Fund(VGF) Assistance for Infrastructure Development	40.00	100	
17		5475-Capital Outlay on other General Economic Services-SP-DS-800-Other Expenditure-2374-Grants to DRDAs for MLALAD fund.	147.00	100	
18	22-Forest and Environment	3435-Ecology and Environment-CP-SS-03-Environmental Research and Ecological Regeneration-2693-Climat Change Action Plan	10.00		Due to non-receipt of central share from MoEF, Government of India.
19		3435-Ecology and Environment-CP-SS-03-Environmental Research and Ecological Regeneration-2756-National Lake Conservation Plan	25.00	100	
20		3435-Ecology and Environment-CSP-SS-03-Environmental Research and Ecological Regeneration-2746-Establishment of National Wet Land and coastal echo system research and training centre	22.50	100	Due to non-receipt of central share from Government of India
21		4406-Capital Outlay on Forestry and Wild Life-SP-DS-01-Forestry-102-Special and Farm Forestry-1004-Orissa Forest Sector Development Project (EAP, JBIC(Japan) Assisted)	10.50	100	No reason assigned.
22		4406-Capital Outlay on Forestry and Wild Life-SP-DS-01-Forestry-789-Special Component Plan for Scheduled Castes - 1004-Orissa Forest Sector Development Project (EAP, JBIC(Japan) Assisted)	19.50	100	
23	4406-Capital Outlay on Forestry and Wild Life-SP-DS-01-Forestry-796-Tribal Areas Sub-Plan -1004-Orissa Forest Sector Development Project (EAP, JBIC(Japan) Assisted)	20.00	100		

Sl. No	Number and title of Grant	Name of the scheme (Head of Account)	Amount of Surrender (₹ in crore)	Percentage of Surrender	Reasons for Surrender
24	34-Co-operation	4435-Capital Outlay on other Agricultural Programme-SP-DS-01-Marketing and Quality Control-101-Marketing Facilities-2593-13 th Finance Commission Award for establishment of Market years at Block level	12.80	100	Due to non-release of Grants arising out of non-submission of pending utilities certificates released previously under the scheme.
25	37-Information Technology	2852-Industries-SP-SS-07-Telecommunication and Electronic Industries-202-Electronics-2553-13th FC Grant for Incentivising Issue of UID	14.36	100	Due to non-receipt of proposals.
26		2852-Industries-SP-SS-07-Telecommunication and Electronic Industries-789-Special Component Plan for Scheduled Castes-2553-13th FC Grant for Incentivising Issue of UID	10.44	100	
27		2852-Industries-SP-SS-07-Telecommunication and Electronic Industries-796-Tribal Area Sub-Plan-2553-13th FC Grant for Incentivising Issue of UID	10.90	100	
28	38-Higher Education	4202-Capital Outlay on Education, Sports, Arts and Culture-SP-SS-01-General Education-203-University and Higher Education-2303-Construction of Government College buildings in GER Districts	10.89	100	Unspent balance in the case was refunded through challan deposit.
Total			1242.85		

Source: Appropriation Accounts 2012-13 and Monthly Appropriation Reports, March 2013(S)

APPENDIX – 2.8

(Refer paragraph 2.3.10 at page 53)

**Statement showing surrender in excess of actual savings during 2012-13
(₹ 25 lakh or more)**

(₹ in crore)

Sl. No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Saving	Amount surrendered	Amount surrendered in excess
1	04-Law (Revenue -Voted)	195.77	36.58	36.93	0.35
2	05-Finance (Revenue -Voted)	7135.88	1549.72	1554.69	4.97
3	05-Finance (Capital -Voted)	120.43	24.56	24.87	0.31
4	10-School and Mass Education (Revenue -Voted)	6704.53	806.54	808.66	2.12
5	12-Health and Family Welfare (Capital -Voted)	149.33	23.00	28.72	5.72
6	23-Agriculture (Revenue -Voted)	1655.78	97.23	117.87	20.64
Total		15961.72	2537.63	2571.74	34.11

Source: Appropriation Accounts 2012-13, Government of Odisha.

APPENDIX – 2.9

(Refer paragraph 2.3.11 at page 53)

Statement showing details of savings of ₹ 1 crore and above not surrendered during 2012-13

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriation	Total Provision	Saving	Surrender	Saving which remained to be surrendered
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Charged)					
1	20-Water Resources	2.39	2.35	0.28	2.07
Revenue (Voted)					
2	01-Home	2209.97	192.66	185.55	7.11
3	03-Revenue	1887.42	1033.25	237.36	795.89
4	12-Health and Family Welfare	1875.63	201.73	155.90	45.83
5	13-Housing and Urban Development	1378.52	100.91	98.49	2.42
6	17-Panchayati Raj	2936.75	437.70	435.34	2.36
7	20-Water Resources	1249.31	158.94	124.00	34.94
8	22-Forest and Environment	576.13	98.06	96.14	1.92
9	36-Women and Child Development	3284.69	236.48	232.29	4.19
10	38-Higher Education	1254.53	65.67	59.45	6.22
11	39-Employment and Technical Education and Training	184.16	33.89	23.58	10.31
Capital (Charged)					
12	20-Water Resources	12.08	2.51	1.40	1.11
Capital (Voted)					
13	2-General Administration	113.18	37.98	36.65	1.33
14	7-Works	1083.30	102.04	64.32	37.72
15	19-Industries	3.25	11.79	Negligible (6 thousand only)	11.79
16	20-Water Resources	2257.38	254.06	101.19	152.87
17	38-Higher Education	68.50	76.32	61.81	14.51
18	39-Employment and Technical Education and Training	203.51	133.63	132.21	1.42
Total		20580.70	3179.97	2045.96	1134.01

Source: Appropriation Accounts 2012-13, Government of Odisha.

APPENDIX – 2.10

(Refer paragraph 2.3.11 at page 53)

Statement showing grant / major head of account wise surrender of funds in excess of ₹ 10 crore on 30 and 31 March 2013.

Sl. No.	Grant Number	Major Head of Account	Total Provision (₹ in crore)	Amount of Surrender (₹ in crore)	Percentage of Total Provision
(1)	(2)	(3)	(4)	(5)	(6)
1	1	2014-Administration of Justice	127.54	21.26	16.67
2		2055-Police	1688.25	138.68	8.21
3		2070-Other Administrative Services	230.34	12.28	5.33
4		4055-Capital Outlay on Police	13.11	12.37	94.36
5		4059-Capital Outlay on Public Works	272.86	42.89	15.72
6	2	5053-Capital Outlay on Civil Aviation	46.10	22.99	49.87
7	3	2029-Land Revenue	319.46	22.63	7.08
8		2245-Relief on account of Natural Calamities	1344.73	178.11	13.25
9		3454-Census Surveys and Statistics	22.00	18.68	84.91
10	4	2014-Administration of Justice	146.14	32.96	22.55
11	5	2040-Taxes on Sales, Trade etc.	35.21	21.09	59.90
12		2052-Secretariat-General Services	1144.63	29.39	2.57
13		2054-Treasury and Accounts Administration	91.73	12.58	13.71
14		2071-Pensions and Other Retirement Benefits	5780.00	403.10	6.97
15		7610-Loans to Government Servants etc.	80.00	10.95	13.69
16		7615-Miscellaneous Loans	20.00	10.67	53.35
17	7	2059-Public Works	384.51	17.95	4.67
18		5054-Capital Outlay on Roads and Bridges	1069.30	65.13	6.09
19	8	2071-Pensions and Other Retirement Benefits	20.00	18.76	93.80
20	9	2408-Food, Storage and Warehousing	1253.93	14.85	1.18
21	10	2202-General Education	6661.69	781.93	11.74
22		2235-Social Security and Welfare	25.81	24.35	92.99
23	11	2225- Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	1366.91	161.18	11.79
24	12	2210-Medical and Public Health	1602.55	114.53	7.15
25		2211-Family Welfare	255.35	39.52	15.48
26		4210- Capital Outlay on Medical and Public Health	114.40	26.16	22.87
27	13	2215-Water Supply and Sanitation	307.31	34.55	11.24
28		2217-Urban Development	450.67	59.67	13.24
29		4215-Capital Outlay on Water Supply and Sanitation	213.15	37.05	17.38
30	16	2401-Corp Husbandry	49.66	10.53	21.20
31		3451-Secretariat Economical Services	1066.51	135.88	12.74
32		4575- Capital Outlay on other Special Areas Programmes	728.00	579.50	79.60

Sl. No.	Grant Number	Major Head of Account	Total Provision (₹ in crore)	Amount of Surrender (₹ in crore)	Percentage of Total Provision
(1)	(2)	(3)	(4)	(5)	(6)
33		5475-Capital Outlay on other General Economic Services	211.00	211.00	100
34	17	2501- Special Programmes for Rural Development	285.27	10.74	3.76
35		2505-RuralEmployment	600.00	38.65	6.44
36		2515-Other Rural Development Programme	1683.32	373.63	22.20
37		2700-Major Irrigation	438.96	27.27	6.21
38	20	2702-Minor Irrigation	439.97	84.34	19.17
39		4700- Minor Irrigation Major Irrigation	937.55	30.77	3.28
40		4701- Minor Irrigation Medium Irrigation	548.62	24.68	4.50
41		4702- Minor Irrigation Minor Irrigation	499.28	34.44	6.90
42		4711-Capital Outlay on Flood Control Projects	284.00	12.69	4.47
43		22	2406-Forestry and Wild life	467.25	26.68	5.71
44	3435-Ecology and Economic Services		97.57	69.31	71.04
45	4406- Forestry and Wild Life		77.67	50.01	64.39
46	23	2401-Crop Husbandry	1396.67	93.74	6.71
47		2402-Soil and Water Conservation	146.61	22.46	15.32
48	28	5054-Capital Outlay on Roads and Bridges	604.31	61.97	10.25
49	30	4801-Capital Outlay on Power Projects	307.74	21.22	6.90
50		6801-Loans for Power Projects	251.33	116.33	46.29
51	31	2851- Village and Small Industries	129.42	14.69	11.35
52	33	2403-Animal Husbandry	253.57	29.21	11.52
53		2405-Fisheris	102.87	47.31	45.98
54		4403- Capital Outlay on Animal Husbandry	24.27	17.35	71.49
55		4405-Capital Outlay on Fisheries	17.05	15.70	92.08
56	34	4435- Capital Outlay on other Agricultural Programmes	15.00	15.00	100
57	36	2235-Social Security and Welfare	2566.96	208.91	8.14
58		2236-Nutrition	705.29	22.32	3.16
59	37	2852-Industries	118.75	65.48	55.14
60	38	2202-General Education	1231.34	57.76	4.69
61		4202- Capital Outlay on Education, Sport, Art and Culture	67.60	61.81	91.43
62		2230- Labour and Employment	71.52	13.56	18.96
63	39	4202-Capital Outlay on Education, Sports, Arts and Culture	173.65	129.51	74.08
64	40	2851-Village and Small Industries	59.34	10.62	17.90
65	2049	Interest Payments	4511.59	1704.13	37.77
66	6004	Loans and Advances from the Central Government	537.00	15.31	2.85
Total			46794.19	6850.77	14.64

Source: Pr. Accountant General (A&E), Odisha.

APPENDIX – 2.11

(Refer paragraph 2.3.12 at page 54)

Statement showing rush of expenditure during 2012-13

Sl. No.	Grant Number	Head of account Scheme/Service	Expenditure incurred during Jan-March 2013	Expenditure incurred in March 2013	Total expenditure	Percentage of total expenditure incurred during	
						Jan-March 2013	March 2013
(1)	(2)	(3)	(₹ in crore)			(7)	(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	1	4059- SP-DS- 60-051-2378- Construction of Building for Courts	15.68	14.04	15.68	100	89.54
2	1	4059-SP-SS -60-051-2378 Construction of Building for Courts	11.86	11.66	12.83	92.44	90.88
3	2	4216-SP-SS -01-106-2210 Construction of Building of G.A. Deptt. under State Capital Project.	20.18	16.11	24.23	83.29	66.49
4	7	5054 SP-SS-03-337-2516- PPP-Roads Projects Land Acquisition	42.80	42.80	76.27	56.12	56.12
5	10	2202 -SP-DS- -02-796-0984- Non-Govt. High Schools	18.46	16.47	32.86	56.18	50.12
6	11	2225-CP-DS -01-277-2365 - Scholarship and Stipend for SC Students.	59.99	55.30	68.78	87.22	80.40
7	11	2225-SP-SS -02-102-2638 - OTELP Plus	11.00	11.00	15.00	73.33	73.33
8	11	2225-CP-DS -03-277-2418 -Post Metric Scholarship and Stipend for OBC Students.	17.38	17.38	17.38	100	100
9	12	2210-NP -01-001-0618 -Head Quarter Organisation.	79.85	59.71	115.68	69.03	51.62
10	13	2217-SP-DS -04-191-1840 - National Urban Renewal Mission(NURM)	14.51	14.51	22.59	64.23	64.23
11	13	2217-NP -05-191-2558-General Basic Grants to Local Bodies as recommended by 13 th FC	10.51	10.52	20.06	52.39	52.44
12	13	2217-NP -05-192-2558 - General Basic Grants to Local Bodies as recommended by 13 th FC	16.04	16.04	30.61	52.40	52.40
13	16	3451-SP-SS -102-2375 -Grants for Special Problem Fund.	40.00	26.99	40.00	100	67.48
14	17	2505-SP-DS -60-102-0685 -Indria Awas Yojana	86.10	63.93	160.10	53.78	39.93
15	17	2515-NP -198-2558-General Basic Grants to Local Bodies as recommended by 13 th FC	180.03	180.03	343.50	52.41	52.41
16	20	2702-NP -03-102-0571 -Grants and Subsidies	19.01	19.01	37.79	50.30	50.30
17	20	4700-SP-SS -19-796-2176 -JBIC Assisted Regali Irrigation Project (EAP)-Phase-I	12.18	10.19	14.57	83.60	69.94
18	20	4701-SP-SS -97-789-2161 -Rural Infrastructure Development Fund (RIDF)	28.30	25.19	43.26	65.42	58.23
19	21	3055-NP -800-0922 - Miscellaneous	16.17	16.17	16.17	100	100

Appendices

Sl. No.	Grant Number	Head of account Scheme/Service	Expenditure incurred during Jan-March 2013	Expenditure incurred in March 2013	Total expenditure	Percentage of total expenditure incurred during	
						Jan-March 2013	March 2013
(₹ in crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
20	23	2401-SP-DS -103-0713 -Input Subsidy on seeds Fertilizers, Bio-fertilizers, Insecticides, Bio-pesticides	11.40	11.40	22.80	50	50
21	28	2216-NP -05-053-0853 - Maintenance of Building under Chief Engineer, Rural Works.	20.19	16.34	31.99	63.11	51.05
22	30	4801-SP-DS -06-796-2469 -SCA for Special Programme for KBK district	12.68	12.68	12.68	100	100
23	30	4801-SP-DS -06-800-2469 -SCA for Special Programme for KBK district	14.96	14.96	14.96	100	100
24	30	4801-SP-SS -80-800-1170 -Reform and Restructuring Project-Establishment.	14.51	14.48	14.99	96.80	96.60
25	30	6801-SP-SS -205-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	77.34	77.34	77.34	100	100
26	30	6801-SP-SS -789-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	27.00	27.00	27.00	100	100
27	30	6801-SP-SS -796-2612 -CAPEX Programme for Development and Upgradation of Distribution System.	30.66	30.66	30.66	100	100
28	38	2202-NP -03-102-1247 -Sambalpur University	16.87	16.88	33.75	49.99	50.01
29	38	2202-NP -03-102-1528 -Utkal University.	32.67	32.67	65.34	50	50
30	38	2202-SP-SS -03-102-2113 - National Law University.	30.00	30.00	31.00	96.77	96.77
Total			988.33	911.46	1469.87	67.24	62.00

Source: Monthly Appropriation Reports of Pr. AG (A&E)

APPENDIX – 2.12

(Refer paragraphs 2.6.3 at page 59 and 2.5 at page 55)

**Withdrawal of entire provision by way of surrender and re-appropriation by the
Chief Controlling Officers of the Grants No.7 and Grant No.13 during 2012-13**
(₹ in crore)

Sl No	Head of Account	Total Allotment	Amount withdrawn	Remarks
07-Works Department				
1	2059- NP-80- 800- 1012-Other expenses	0.05	0.05	Entire provision was surrendered due to non-receipt of Court order and sanction order from Government.
2	3054- NP-80- 800- 0836-Lump provision for other Works	0.05	0.05	No specific reasons given to Pr. Accountant General (A&E)
3	5054- -SP-SS-03-796-2517-PPP Road Projects Environment clearances, utility shifting, DPR preparation and other expenses	1.13	1.13	Entire provision was withdrawn attributing to non-finalisation of development proposal of State Highways.
4	5054- -SP-SS-04-796-1581-Works Executed from Central Road Fund	1.90	1.90	
TOTAL		3.13	3.13	
13-Housing and Urban Development Department				
5	2215-SP-DS-02-105-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	1.51	1.51	Entire provision in these cases were surrendered attributing to closure of the scheme and non receipt of additional central assistance
6	2215-SP-DS-02-105-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	1.54	1.54	
7	2215-SP-DS-02-789-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	0.41	0.41	
8	2215-SP-DS-02-789-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	0.41	0.41	
9	2215-SP-DS-02-796-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	0.54	0.54	
10	2215-SP-DS-02-796-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	0.55	0.55	
11	2215-CSP-DS-02-105-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	7.54	7.54	
12	2215-CSP-DS-02-105-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	7.68	7.68	
13	2215-CSP-DS-02-789-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	2.03	2.03	
14	2215-CSP-DS-02-789-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	2.06	2.06	

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Sl No	Head of Account	Total Allotment	Amount withdrawn	Remarks
15	2215-CSP-DS-02-796-2639- Implementation of Integrated Urban Low Cost sanitation Scheme under Municipalities	2.70	2.70	Entire provision in these cases were surrendered attributing to closer of the scheme and non receipt of additional central assistance
16	2215-CSP-DS-02-796-2640- Implementation of Integrated Urban Low Cost sanitation Scheme under NACs	2.75	2.75	
17	2217-NP-05-192-2595-Special Area Performance Grants to Local Bodies as recommended by 13 th F. C.	1.60	1.60	Entire provision in these cases were surrendered attributing to non-release of funds by Government of India.
18	2217-NP-05-193-2595-Special Area Performance Grants to Local Bodies as recommended by 13 th F. C.	0.61	0.61	
19	2217-SP-SS-05-192-2132-Other Urban Development Schemes under State Plan.	0.49	0.49	
20	2217-SP-SS-05-193-2132-Other Urban Development Schemes under State Plan.	0.37	0.37	
21	2217-SP-SS-05-789-2132-Other Urban Development Schemes under State Plan.	0.33	0.33	
22	2217-SP-SS-05-796-2132-Other Urban Development Schemes under State Plan.	0.44	0.44	
TOTAL		33.56	33.56	

Source: Appropriation Accounts 2012-13, Government of Odisha..

APPENDIX – 3.1

(Refer paragraph 3.1 at page 64)

Statement showing details of utilisation certificates pending for receipt by different departments of the State Government as at the end of 2012-13.

(₹ in crore)

Sl. No.	Name of the Department	Year	Amount
1	Panchayati Raj	2003-04 to 2012-13	7050.92
2	Planning and Co-ordination	2003-04 to 2012-13	3220.75
3	Housing and Urban Development	2003-04 to 2012-13	2288.65
4	SCST Monitoring & Backward class Development	2003-04 to 2012-13	2190.02
5	Rural Development	2003-04 to 2012-13	1434.24
6	Higher Education	2003-04 to 2012-13	906.73
7	School and Mass Education	2003-04 to 2012-13	815.43
8	Women and Child Development	2003-04 to 2012-13	653.49
9	Revenue & Disaster Management	2003-04 to 2012-13	646.23
10	Water Resources	2003-04 to 2012-13	642.65
11	Agriculture	2003-04 to 2012-13	546.06
12	Health & Family Welfare	2003-04 to 2012-13	408.76
13	Information Technology	2003-04 to 2012-13	337.47
14	Industries	2003-04 to 2012-13	190.76
15	Co-operation	2003-04 to 2012-13	153.76
16	Labour & Employment	2003-04 to 2012-13	94.29
17	Sports & Youth Services	2003-04 to 2012-13	91.72
18	Science & Technology	2003-04 to 2012-13	91.15
19	Tourism & Culture	2003-04 to 2012-13	85.31
20	Employment & Technical Education & Training	2003-04 to 2012-13	70.13
21	Law	2003-04 to 2012-13	61.93
22	Forest & Environment	2003-04 to 2012-13	59.15
23	General Administration	2003-04 to 2012-13	49.44
24	Textile & Handloom	2003-04 to 2012-13	38.62
25	Fisheries & Animal Resources Development	2003-04 to 2012-13	28.36
26	Food Supplies & Consumer Welfare	2003-04 to 2012-13	24.72
27	Energy	2003-04 to 2012-13	15.84
28	Micro Small & Medium Enterprises	2003-04 to 2012-13	15.31
29	Home	2003-04 to 2012-13	3.18
30	Finance	2003-04 to 2012-13	2.98
31	Information & Public Relation	2003-04 to 2012-13	1.50
32	Works	2003-04 to 2012-13	1.02
33	Transport	2003-04 to 2012-13	0.46
34	Parliamentary affairs	2003-04 to 2012-13	0.19
35	Commerce	2003-04 to 2012-13	0.00
Total			22221.22 (₹8400)

Source: Office of the Pr. AG (A&E), odisha

APPENDIX – 3.2

(Refer paragraph 3.1 at page 64)

Statement showing details of utilisation certificates due to be received by different body/authority of the State Government from autonomous /local bodies as at the end of 2012-13

Sl. No.	Name of the Body/Authority	Number of units audited	Year up to which audited	Amount (₹ in crore)
1	District Social Welfare Officer	7	2011-12	157.10
2	District Welfare Officer	3	2011-12	19.44
3	Integrated Tribal Development Agency	2	2011-12	36.59
4	District Rural development Agency	7	2011-12	697.62
5	Odisha State Legal Service Authority	1	2011-12	5.85
6	Tahasildar	4	2011-12	9.46
7	Municipal Corporation	3	2011-12	55.80
8	Collector	7	2011-12	135.49
Total		34		1117.35

APPENDIX – 3.3

(Refer paragraph 3.1 at page 64)

Statement showing department wise receipt of Central Assistance and details of utilisation certificates wanting as on 1 January 2013

(₹ in crore)

Sl. No.	Name of the Department	U.C. pending as on 1 April 2012	Central Assistance received during the 1 April 2012 to 31 December 2012	Total (3+4)	Total U.C. furnished	Total U.C. pending as on 1 January 2013
1	2	3	4	5	6	7
1	Agriculture	118.11	520.35	638.46	423.36	215.1
2	Co-operation	15.00	0	15.00	0	15.00
3	Energy	180.70	0	180.7	69.67	111.03
4	Employment and Technical Education & Training	173.07	28.47	201.54	35.72	165.82
5	Forest & Environment	68.67	73.60	142.27	66.19	76.08
6	FS&CW	7.35	5.32	12.67	3.73	8.94
7	F&ARD	67.53	33.09	100.62	67.61	33.01
8	G.A.	14.71	0.50	15.21	0.15	15.06
9	Health and Family Welfare	44.29	157.34	201.63	117.63	84.00
10	Higher Education	3.45	2.23	5.68	4.44	1.24
11	Home	96.86	52.06	148.92	11.88	137.04
12	H&UD	488.46	80.39	568.85	113.95	454.90
13	Industries	17.48	0	17.48	15.74	1.74
14	Information Technology	141.25	6.69	147.94	30.66	117.28
15	Labour & Employment	0.26	1.99	2.25	1.99	0.26
16	Law	0.37	0	0.37	0	0.37
17	Micro, Small and Medium Enterprises	1.34	0	1.34	0.72	0.62
18	Planning & Co-ordination	21.33	35.49	56.82	28.50	28.32
19	Panchayati Raj	2121.36	1441.93	3563.29	1613.44	1949.85
20	Revenue	32.14	0	32.14	2.91	29.23
21	Rural Development	365.95	205.42	571.37	182.20	389.17
22	Schools & Mass Education	20.45	505.51	525.96	12.38	513.58
23	Science & Technology	23.70	3.89	27.59	2.69	24.90
24	Sports & Youth Service	5.47	16.70	22.17	5.47	16.70
25	ST&SC Development	638.54	529.58	1168.12	246.20	921.92
26	Textile & Handloom	28.99	2.69	31.68	11.39	20.29
27	Tourism & Culture	57.05	7.98	65.03	9.48	55.55
28	Water Resources	787.78	195.67	983.45	724.96	258.49
29	Works	260.69	64.72	325.41	147.74	177.67
30	W&CD	1054.69	1059.34	2114.03	1348.95	765.08
Total		6857.04	5030.95	11887.99	5299.75	6588.24

Source: Budget at a glance 2012-13, Government of Odisha

APPENDIX – 3.4

(Refer paragraph 3.4 at page 66)

Statement of finalisation of accounts and the Government investments in departmentally managed Commercial and Quasi-commercial activities

Sl. No	Name of the Activities/Schemes under the Department	No. of Activities/Schemes under the Department	Years from which Accounts are due	Investment as per the last accounts finalised (₹ in Crore)	Remarks/Reasons for Delay in Preparation of accounts
Department: Forest and Environment					
1	Nationalisation of Kendu Leaves operated by Chief Conservator of Forests (Kendu leaves), Orissa	1	2006-07	70.09	Arrear of accounts for seven years.
Department : Agriculture and Cooperation					
2	Cold Storage Plant, Kumarmunda	1	1972	11.97	Arrear of accounts for 41 years
3	Cold Storage Plant, Similiguda	1	1977	16.15	Arrear of accounts for 36 years
4	Cold Storage Plant, Paralakhemundi	1	1984	6.36	Arrear of accounts for 29 years
5	Cold Storage Plant, Bolangir	1	1994	7.92	Arrear of accounts for 19 years
6	Cold Storage Plant, Bhubaneswar	1	1975	17.89	Transferred (March 1979) to Odisha State Seeds Corporation Limited. Arrear of accounts for six years
7	Cold Storage Plant, Sambalpur	1	1971	NA	Transferred (March 1979) to Odisha State Seeds Corporation Limited. Arrear of accounts for ten years
8	Purchase and Distribution of quality seed to cultivators	1	1977-78	NA	Proforma not prescribed by Government
Department : Food Supplies and Consumer Welfare					
9	Grain purchase scheme	1	1977-78	NA	Transferred (September 1980) to Odisha State Seeds Corporation Limited. Arrear of accounts for five years.
Department : Commerce and Transport					
10	State Transport service	1	1972-73	NA	Transferred (May 1974) to Odisha State Road Transport Corporation. Arrear of accounts for four years.
11	Director Printing, Stationary and Publication, Orissa Cuttack (Government Press)	1	1977-78	NA	Proforma accounts not prepared though it is required under the provision of Odisha Government Press Manual. Arrear of account for 35 years.
Department : Fisheries and Animal Resources Development					
12	Poultry Development	1	--	NA	Proforma accounts not prescribed by the State Government
Inoperative/Closed Activities/Schemes					Year from which remained closed or inoperative
13	Grain Supply Scheme	1	--	--	1958-59
14	Scheme for trading in Iron Ore through Paradeep Port	1	--	--	1966-67
15	Cloth and Yarn Scheme	1	--	--	1954-55
16	Scheme for exploitation and Marketing of fish	1	--	--	1982-83

NA: Not available

Source: Finance Accounts 2012-13, Government of Odisha.

APPENDIX – 3.5

(Refer paragraph 3.5 at page 67)

Department wise / duration wise break-up of the cases of misappropriation, defalcation etc.

(Cases where final action was pending at the end of July 2013)

(₹ in lakh)

Sl. No.	Name of the Department	Up to 5 years 2008-09 to 2012-13		5 to 10 years 2003-04 to 2007-08		10 to 15 years 1998-99 to 2002-2003		15 to 20 years 1993-94 to 1997-98		20 to 25 years 1988-89 to 1992-93		25 years to More from inception upto 1987-88		Total	
		No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	Agriculture	2	17.00	6	31.65	12	19.62	22	13.20	13	7.13	64	21.99	119	110.59
2	Commerce & Transport	0	0.00	3	6.19	0	0.00	0	0.00	4	2.01	5	1.98	12	10.18
3	Co-operation	0	0.00	0	0.00	0	0.00	1	0.94	2	3.25	0	0.00	3	4.19
4	Employment, Technical Education and Training	0	0.00	1	1.25	4	6.80	0	0.00	1	2.48	0	0.00	6	10.53
5	Energy	0	0.00	0	0.00	0	0.00	1	225.22	2	0.83	1	0.00	4	226.05
6	Excise	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.21	1	0.21
7	Finance	0	0.00	0	0.00	0	0.00	0	0.00	1	4.85	6	5.27	7	10.12
8	Fisheries & ARD	0	0.00	1	0.31	2	0.16	6	2.90	7	1.66	15	71.70	31	76.73
9	Forest & Environment	2	3.00	2	0.54	57	75.60	76	39.11	66	35.17	235	104.08	438	257.50
10	Food Supplies & Consumer Welfare	0	0.00	0	0.00	0	0.00	0	0.00	1	0.10	2	2.94	3	3.04
11	General Administration	0	0.00	0	0.00	2	0.71	0	0.00	1	1.26	1	0.95	4	2.92
12	Health & Family Welfare	1	0.03	1	4.31	1	0.22	6	3.24	9	34.43	14	14.12	32	56.35
13	Higher Education	0	0.00	2	3.29	0	0.00	2	7.74	1	3.53	1	0.21	6	14.77
14	Home	0	0.00	0	0.00	0	0.00	1	12.70	1	0.50	1	1.77	3	14.97
15	Housing & Urban Development	0	0.00	5	21.90	16	13.33	12	7.80	16	23.68	23	4.03	72	70.74
16	Information & Public Relation	0	0.00	0	0.00	17	1.44	23	2.45	69	6.14	9	0.49	118	10.52
17	Labour & Employment	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	1.94	1	1.94
18	Law	1	0.05	1	2.21	1	0.55	1	2.08	4	2.09	1	0.42	9	7.40
19	Micro, Small and Medium Enterprises	0	0.00	1	11.59	0	0.00	1	0.08	1	0.05	0	0.00	3	11.72
20	Panchayati Raj	0	0.00	2	4.32	0	0.00	4	14.56	6	2.82	38	15.38	50	37.08
21	Revenue	0	0.00	5	110.60	0	0.00	4	4.02	7	2.73	49	29.39	65	146.74
22	Rural Development	0	0.00	11	61.52	6	4.41	28	15.93	23	9.13	29	6.10	97	97.09
23	School and Mass Education	0	0.00	0	0.00	3	26.01	4	3.89	2	0.72	10	10.45	19	41.07
24	ST & SC Development	1	0.73	1	2.01	1	0.95	0	0.00	3	1.05	26	4.15	32	8.89
25	Water Resources	2	0.62	28	35.17	45	109.14	58	26.94	68	22.96	234	76.76	435	271.59
26	Women & Child Development	0	0.00	0	0.00	0	0.00	1	0.29	3	3.01	1	0.14	5	3.44
27	Works	0	0.00	7	4.02	34	60.80	21	6.85	32	5.74	81	123.11	175	200.52
	Total	9	21.43	77	300.88	201	319.74	272	389.94	343	177.32	848	497.58	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

APPENDIX – 3.6

(Refer paragraph 3.5 at page 67)

Department / Category wise details in respect of cases of loss of Government due to theft, misappropriation / loss of Government material

Sl No	Name of Department	Theft Cases		Misappropriation/ Loss of Government material		Total	
		Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Agriculture	50	17.64	69	92.95	119	110.59
2	Commerce & Transport	5	6.90	7	3.28	12	10.18
3	Co-operation	1	0.71	2	3.48	3	4.19
4	Employment, Technical Education and Training	4	3.81	2	6.72	6	10.53
5	Energy	2	0.83	2	225.22	4	226.05
6	Excise	0	0.00	1	0.21	1	0.21
7	Finance	0	0.00	7	10.12	7	10.12
8	Fisheries & ARD	10	1.50	21	75.23	31	76.73
9	Forest & Environment	77	31.08	361	226.42	438	257.50
10	Food Supplies & Consumer Welfare	1	0.10	2	2.94	3	3.04
11	General Administration	2	0.71	2	2.21	4	2.92
12	Health & Family Welfare	11	6.39	21	49.96	32	56.35
13	Higher Education	2	0.30	4	14.47	6	14.77
14	Home	0	0.00	3	14.97	3	14.97
15	Housing & Urban Development	52	26.28	20	44.46	72	70.74
16	Information & Public Relation	111	8.56	7	1.96	118	10.52
17	Labour & Employment	0	0.00	1	1.94	1	1.94
18	Law	3	0.83	6	6.57	9	7.40
19	Micro, Small and Medium Enterprises	0	0.00	3	11.72	3	11.72
20	Panchayati Raj	13	16.99	37	20.09	50	37.08
21	Revenue	9	4.17	56	142.57	65	146.74
22	Rural Development	63	76.86	34	20.23	97	97.09
23	School and Mass Education	3	0.93	16	40.14	19	41.07
24	ST & SC Development	12	1.62	20	7.27	32	8.89
25	Water Resources	281	120.07	154	151.52	435	271.59
26	Women & Child Development	1	0.03	4	3.41	5	3.44
27	Works	82	16.46	93	184.06	175	200.52
Total		795	342.77	955	1364.12	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

APPENDIX – 3.7
(Refer paragraph 3.5 at page 67)

Reasons for which the cases were pending

(₹ in lakh)

Sl. No	Name of the Department	(A) Under Departmental/ Criminal Investigation		(B) Departmental action started but not finalised		(C) Certificate case is pending		(D) Recovery order received/ awaited		(E) Case is sub-judice		Total	
		No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount	No of cases	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	Agriculture	5	13.5	38	62.94	0	0.00	41	6.86	35	27.29	119	110.59
2	Commerce & Transport	5	6.51	3	1.07	0	0.00	2	0.94	2	1.66	12	10.18
3	Co-operation	0	0.00	1	0.94	0	0.00	0	0.00	2	3.25	3	4.19
4	Employment, Technical Education and Training	1	4.25	1	1.25	0	0.00	0	0.00	4	5.03	6	10.53
5	Energy	0	0.00	2	224.53	1	1.17	0	0.00	1	0.35	4	226.05
6	Excise	0	0.00	1	0.21	0	0.00	0	0.00	0	0.00	1	0.21
7	Finance	0	0.00	0	0.00	0	0.00	1	0.05	6	10.07	7	10.12
8	Fisheries & ARD	0	0.00	18	55.37	0	0.00	6	4.72	7	16.64	31	76.73
9	Forest & Environment	32	61.34	47	46.59	0	0.00	351	147.03	8	2.54	438	257.50
10	Food Supplies & Consumer Welfare	0	0.00	0	0.00	0	0.00	1	0.10	2	2.94	3	3.04
11	General Administration	0	0.00	0	0.00	0	0.00	4	2.92	0	0.00	4	2.92
12	Health & Family Welfare	3	0.44	5	6.95	0	0.00	8	8.49	16	40.47	32	56.35
13	Higher Education	2	3.29	0	0.00	0	0.00	2	0.30	2	11.18	6	14.77
14	Home	0	0.00	0	0.00	1	12.70	0	0.00	2	2.27	3	14.97
15	Housing & Urban Development	29	41.61	41	25.85	0	0.00	0	0.00	2	3.28	72	70.74
16	Information & Public Relation	104	9.51	9	0.66	0	0.00	3	0.20	2	0.15	118	10.52
17	Labour & Employment	0	0.00	0	0.00	0	0.00	1	1.94	0	0.00	1	1.94
18	Law	1	0.05	1	2.21	1	0.15	2	0.89	4	4.10	9	7.40
19	Micro, Small and Medium Enterprises	1	11.59	1	0.08	0	0.00	1	0.05	0	0.00	3	11.72
20	Panchayati Raj	21	21.97	14	11.98	2	0.34	6	1.63	7	1.16	50	37.08
21	Revenue	5	1.66	13	6.68	20	4.85	16	5.15	11	128.40	65	146.74
22	Rural Development	51	78.05	41	18.92	1	0.03	1	0.04	3	0.05	97	97.09
23	School and Mass Education	5	10.65	5	3.73	0	0.00	2	1.63	7	25.06	19	41.07
24	ST & SC Development	2	2.74	4	3.20	0	0.00	22	2.42	4	0.53	32	8.89
25	Water Resources	152	176.34	243	81.22	5	0.26	21	12.27	14	1.50	435	271.59
26	Women & Child Development	0	0.00	4	3.30	0	0.00	1	0.14	0	0.00	5	3.44
27	Works	57	47.63	109	147.93	1	0.41	2	0.34	6	4.21	175	200.52
Total		476	491.13	601	705.61	32	19.91	494	198.11	147	292.13	1750	1706.89

Source: Compiled from the information received from various departments of the State Government.

APPENDIX – 3.8

(Refer paragraph 3.6 at page 68)

Statement showing unadjusted AC bills for the years up to 2012-13

Sl. No.	Department	Number of AC bills	Amount (₹ in lakh)
1	Home Department	5217	2763.05
2	General Administration Dept.	26	64.19
3	Revenue Dept.	3	5.53
4	Law Department	169	12.60
5	Finance Department	31	63.85
6	Commerce Department	1	226.27
7	ST, SC, OBC Department	3	0.78
8	H & FW Department	196	53.01
9	H & UD Department	16	11.95
10	Labour & Empl. Department	2	0.55
11	P & C Department	3	504.38
12	Panchayati Raj Department	41	377.35
13	Transport Department	1	359.96
14	Steel & Mines Department	73	12.88
15	Excise Department	3	0.05
16	Tourism & Culture Department	1	15.00
17	Forest & A.R.Dev Department	5	81.16
18	Co-operation Department	2	2.53
19	Women & C. Dev Department	1	0.10
20	Higher Education Department	1389	740.75
21	Food Supply & Consumer Welfare Department	1	0.00 (₹ 500)
Total		7184	5295.94 or 52.96 crore

Source: Compiled from the information received from various departments of the State Government.

APPENDIX – 3.9

(Refer paragraph 3.9 at page 70)

Statement showing credit of family pension in in-operative bank accounts

Sl No	Name of the Family pensioner	Date of death	Branch	Account No	Amount
1	Chandravati Ankarboina	2/7/2008	Main Branch BBSR	10872336057	5866
2	Sulochana Tripathy	14/02/2008	Main Branch BBSR	10872259491	28519
3	Haramani Nanda	29/12/2007	Main Branch BBSR	10872325079	7401
4	Nishamani Dei	24/02/2008	Main Branch BBSR	10872319940	7395
5	Smt Nilabala Das	20/01/2008	Main Branch BBSR	10872411877	6083
6	Manoj Kumari Mohapatra	20/05/2008	Main Branch BBSR	10872310652	4299
7	Shikha Dash	6/10/2008	Main Branch BBSR	10872262313	3468
8	Satyabhama Mall	29/10/2008	Main Branch BBSR	10875327294	427
9	Sachi Praharaj	19/09/2008	Main Branch BBSR	30402369999	9630
10	Basanta Manjari Devi	29/09/2008	Main Branch BBSR	30289787287	4578
11	Gelha Mani	4/4/2010	Main Branch BBSR	10872181411	18026
12	Nirmala Mohanty	17/06/2010	Main Branch BBSR	10872278049	12991
13	Sovarani Behera	19/03/2010	Main Branch BBSR	30161222018	4092
14	Pravaluxmi Jena	29/01/2010	Main Branch BBSR	10872305755	709
15	Annapurna Sahu	4/9/2009	Main Branch BBSR	30288423402	16510
16	Sarah Anandini Choudhury	21/6/2010	Main Branch BBSR	3099402764	6143
17	Kalyani Sukla	23/09/2011	Main Branch BBSR	10872256398	13213
18	AP Gum	25/08/2011	Main Branch BBSR	10872191815	158350
19	Lingaraj Mishra	6/09/2007	Govt. Try. Branch BBSR	11109395788	1998
20	Satyabhama Mishra	10/7/2007	Govt. Try. Branch BBSR	11109345192	11880
21	Prabhati Padhi	9/8/2007	Govt. Try. Branch BBSR	11109347440	17940
22	Sarojini Mishra	27/10/2007	Govt. Try. Branch BBSR	11109383353	2927
23	D Mahalaxmi	12/1/2008	Govt. Try. Branch BBSR	11109539595	1583
24	Kuntala Dash	5/3/2008	Govt. Try. Branch BBSR	11109359091	10357
25	Palalata Kanungo	2/8/2008	Govt. Try. Branch BBSR	11109375206	2632
26	Sabitri Nanda	13/5/2008	Govt. Try. Branch BBSR	11109386095	1388
Total					358405

APPENDIX – 3.10
(Refer paragraph 3.9.1 at page 71)

Statement showing irregular payment of additional family pension

SI No	Name of the family pensioner	PPO No	Name of the branch of SBI	Period of excess payment	Amount of excess payment (in ₹)
1	Debatta Pramada	28236	Angul	03/2009 to 07/2012	62375
2	Mahimamayee Devi	20905	Balasore	03/2009 to 07/2012	50977
3	Geetarani Brahma	40776	Balasore	01/2010 to 07/2012	49247
4	Subhashini Kabi	61262	Balasore	10/2009 to 08/2012	46173
5	Saradamani Behera	56019	Balasore	04/2009 to 08/2012	41874
6	Anusuya Mishra	58841	Balasore	06/2009 to 08/2012	40166
7	Nishamani Sahani	60529	Balasore	06/2009 to 08/2012	40166
8	Haramani Patra	18606	Balasore	05/2009 to 07/2012	39865
9	Jayanti Jena	59314	Durgadevi	07/2009 to 08/2012	39312
10	Ramamani Parida	62272	Kansa	09/2009 to 08/2012	37534
11	Annada Das Mohapatra	62169	Jaleswar	12/2009 to 08/2012	34867
12	Bishnupriya Das	60091	Balasore	03/2010 to 07/2012	30933
13	Durgamani Paida	50442	Balasore	07/2010 to 08/2012	28308
14	Usha Das	4039	Jaleswar	06/2010 to 07/2012	28098
15	Chapala Mohapatra	55101	IDCO Tower	11/2011 to 07/2012	14958
16	Ambika Rani Pattanaik	56841	BBSR Main	05/2009 to 02/2012	34090
17	Bimala Devi	60345	Pithapur	05/2010 to 09/2012	31353
18	Sakh Choudhury	59711	Link Road	07/2009 to 09/2012	40467
19	Chandrabati Harizan	57731	Umerkote	07/2009 to 08/2012	39312
20	Kamalabai Pattanaik	57417	Umerkote	07/2009 to 09/2012	40467
21	Jasoda Dalai	47845	Umerkote	07/2009 to 08/2012	39312
22	Sasirekha Choudhury	64994	Nowrangpur	08/2009 to 09/2012	39578
23	Urbasi Sahoo	44342	Nowrangpur	06/2009 to 09/2012	41321

Sl No	Name of the family pensioner	PPO No	Name of the branch of SBI	Period of excess payment	Amount of excess payment (in ₹)
24	Kamala Naik	69740	Nowrangpur	04/2010 to 09/2012	32298
25	Radhamani Mangaraj Pattnaik	680455	Nowrangpur	03/2010 to 09/2012	33243
26	Annapurna Patra	95679	Nowrangpur	12/2009 to 09/2012	36022
27	Kuntala Kumari Samantray	33527	OUAT	12/2008 to 09/2012	138568
28	Laxman Mishra	64992	Boudh	07/2009 to 09/2012	40467
29	Rangalata Mohapatra	27193	Dhenkanal	03/2009 to 09/2012	93074
30	Bhagabati Devi	76923	Dhenkanal	08/2011 to 09/2012	18974
Total					1283399

APPENDIX – 3.11

(Refer paragraph 3.10.1 at page 71)

Statement showing the outstanding advance position as on 31 March 2012, the details of which could not be ascertained in audit due to improper maintenance of Advance Ledger.

(₹ in lakh)

Sl.No.	Name of the Drawing & Disbursing Officer	Amount of advance outstanding as on 31 March 2012
01	Dy.Collector(Nizarat)Keonjhar	10.53
02	Dy.Collector(Nizarat)Ganjam.Chatrapur	29.46
03	Block Development Officer,Ghasipura.Keonjhar	449.16
04	Block Development Officer,Chatrapur.Ganjam	26.71
05	Block Development Officer,Baranga	104.63
06	Collector Baripada	24.40
07	Collector Nayagarh	17.63
08	Block development Officer,Nayagarh	37.44
09	Collector Kendrapara	1548.15
10	Block development Officer,Rajnagar	1982.78
11	ASCO Cuttack	17.91
12	Block Development Officer, Satyabadi	27.19
13	Block Development Officer,Sonepur	101.92
14	Director of Agriculture &Food Production,Odisha Bhubaneswar	205.81
15	Collector Khurda	14.75
16	Collector, Balasore	39.35
17	Collector, Gajapati	1.08
18	Collector, Deogarh	13.14
19	Collector, Rayagada	26.95
20	Collector, Koraput	75.42
21	Collector, Sundaragh	25.80
22	Collector, Cuttack	12.74
23	District Social Welfare Officer, Sambalpur	39.34
24	Collector, Sambalpur	58.00
25	Collector, Jajpur	44.80
26	Block Development Officer, Khurda	235.39
27	District Social Welfare Officer, Dhenkanal	18.85
28	District Agriculture Officer, Rairangpur	47.81
29	Collector, Nabarangpur	26.77
30	District Social Welfare Officer, Angul	1.41
31	District Social Welfare Officer, Balasore	128.90
32	District Agriculture Officer, Puri	30.23
33	District Welfare Officer, Koraput	38.43
34	District Welfare Officer, Gajapati	230.61
35	District Welfare Officer, Chatrapur	198.57
36	PA ITDA Keonjhar	297.87
37	PA ITDA Baripada	114.68
38	D.S.W.O Phulbani	2.69
39	PA ITDA Sundargarh	699.11
40	DWO Nayagarh	226.36
41	BDO Tileibani	435.55

Sl.No.	Name of the Drawing & Disbursing Officer	Amount of advance outstanding as on 31 March 2012
42	DWO Sonapur	72.81
43	DWO, Dhenkanal	207.39
44	DWO Angul	0.46
45	BDO Balangir	18.59
46	BDO Boudh	240.65
47	BDO Balasore	451.65
48	PA ITDA Phulbani	24.33
49	BDO Puri	31.19
50	BDO Baripada	38.60
51	BDO Phulban	204.98
52	BDO Dhankud(Sambalpur)	49.23
53	BDO Jaysinghpur	37.27
54	BDO Soro	3.79
Total		9049.26 or (90.49 crore)

APPENDIX – 3.12

(Refer paragraph 3.10.1 at page 72)

Statement showing the details of DDO wise outstanding advance position as on 31 March 2012 the details of which are available with DDOs.

(₹ in lakh)

Sl.No.	Name of the Drawing & Disbursing Officer	Period		Amount of advance outstanding as on 31 March 2012
		From	To	
01	Dy. Director of Agriculture Keonjhar	01/1992	03/2012	61.06
02	District Agriculture Officer, Keonjhar	01/1963	03/2012	1.78
03	District Agriculture Officer, Anandapur	03/1996	03/2012	16.58
04	Executive Engineer (Agril.) SZ, Berhampur	04/2008	03/2012	192.41
05	District Agriculture Officer, Berhampur	03/1969	03/2012	20.69
06	District Agriculture Officer, Phulbani	05/1968	03/2012	15.36
07	District Agriculture Officer, Angul	03/1997	03/2012	19.38
08	Collector, Phulbani	10/1970	03/2012	116.50
09	Collector, Angul	1993	03/2012	4.51
10	Director of Soil Conservation, Bhubaneswar	02/1997	03/2012	2.57
11	Block Development Officer, Talcher	1956	03/2012	59.26
12	Block Development Officer, Dhenkanal	2008-09	03/2012	128.46
13	Executive Engineer (Agril.) CZ, Bhubaneswar	07/2011	03/2012	1.93
14	Soil Chemist, Cuttack	02/2011	03/2012	3.26
15	Collectorate, Subarnapur	04/2000	03/2012	1.52
16	District Agriculture Officer, Subarnapur	11/2011	03/2012	4.39
17	District Agriculture Officer, Jagatsinghpur	11/2006	03/2012	16.57
18	Collector, Dhenkanal	07/1990	03/2012	1.59
19	District Agriculture Officer, Nayagarh	12/2007	03/2012	20.32
20	District Agriculture Officer, Kendrapara	1965	03/2012	15.85
21	Director of Horticulture Odisha, Bhubaneswar	09/1999	03/2012	187.15
22	Deputy Director of Agriculture, Cuttack	1980-81	03/2012	39.04
23	District Agriculture Officer, Balasore	1961	03/2012	22.23
24	District Social Welfare Officer, Gajapati	03/2010	03/2012	7.47
25	PD, Water Shed, Khurda	01/1997	03/2012	16.70
26	District Agriculture Officer,	03/1961	03/2012	38.30

Sl.No.	Name of the Drawing & Disbursing Officer	Period		Amount of advance outstanding as on 31 March 2012
		From	To	
	Kalahandi			
27	District Agriculture Officer, Jeypore	1961	03/2012	319.26
28	District Agriculture Officer, Cuttack	04/1962	03/2012	32.11
29	District Social Welfare Officer, Rayagada	03/2011	03/2012	0.52
30	Dy. Director of Agriculture Jeypore	05/1981	03/2012	182.41
31	Collector, Koraput	03/1985	03/2012	10.00
32	District Agriculture Officer, Koraput	06/2007	03/2012	33.67
33	District Social Welfare Officer, Kalahandi	11/1975	03/2012	36.44
34	Collector, Kalahandi	03/1985	03/2012	1.99
35	District Agriculture Officer, Sundargarh	1963	03/2012	48.96
36	District Social Welfare Officer, Sundargarh	12/2011	03/2012	13.61
37	District Social Welfare Officer, Cuttack	01/1973	03/2012	857.57
38	Collector, Rayagada	09/1993	03/2012	0.19
39	District Social Welfare Officer, Bhadrak	01/2009	03/2012	0.17
40	Collector, Bhadrak	05/1994	03/2012	9.54
41	District Agriculture Officer, Bhadrak	10/2008	03/2012	32.44
42	District Social Welfare Officer, Nayagarh	05/2000	03/2012	15.78
43	Collector, Boudh	11/1995	03/2012	3.20
44	District Agriculture Officer, Sambalpur	02/1968	03/2012	12.99
45	District Social Welfare Officer, Jajpur	09/2005	03/2012	1.93
46	District Agriculture Officer, Jajpur	1982	03/2012	25.35
47	Collector, Gajapati	12/1993	03/2012	1.08
48	District Social Welfare Officer, Boudh	05/1999	03/2012	8.00
49	PD, Water Shed, Deogarh	11/2010	03/2012	7.61
50	District Agriculture Officer, Kuchinda	1997	03/2012	8.48
51	District Social Welfare Officer, Deogarh	08/2011	03/2012	0.28
52	District Social Welfare Officer, Jagatsinghpur	04/2002	03/2012	4.35
53	Collector, Puri	06/1993	03/2012	26.74
54	District Social Welfare Officer, Puri	08/1984	03/2012	23.30
55	Assistant Soil Conservation Officer, Rairangpur	06/2006	03/2012	1.00
56	Asst. Soil Conservation Officer, Niladunguri, Sambalpur	05/2008	03/2012	0.05
57	P.D., Watershed, Jharsuguda	1994-95	03/2012	11.77
58	District Agriculture Office, Champua	1997	03/2012	11.46
59	Assistant Director Horticulture,	09/1996	03/2012	0.86

Sl.No.	Name of the Drawing & Disbursing Officer	Period		Amount of advance outstanding as on 31 March 2012
		From	To	
	Champua			
60	Dy. Director of Agriculture, Puri	1999	03/2012	99.98
61	District Agriculture Officer, Gajapati	03/2008	03/2012	66.04
62	Dy. Director of Horticulture, Balasore	02/1984	03/2012	5.80
63	PD Watershed, Nabarangpur	01/2010	03/2012	10.85
64	District Social Welfare Officer, Nabarangpur	06/1995	03/2012	0.34
65	District Agriculture Officer, Karanjia	03/1998	03/2012	3.67
66	District Agriculture Officer, Dharmagarh	08/1996	03/2012	418.98
67	District Social Welfare Officer, Angul	03/2005	03/2012	8.36
68	District Social Welfare Officer, Jharsuguda	11/2011	03/2012	0.03
69	District Agriculture Officer, Jharsuguda	10/2011	03/2012	2.79
70	Collector, Jharsuguda	03/1995	03/2012	3.36
71	District Agriculture Officer, Boudh	12/1996	03/2012	7.03
72	District Welfare Officer/ Baragarh	02/1997	03/2012	6.39
73	Executive Engineer RW&SS, Puri, Grama Vikash 21.01.2011 (P.M Sahoo)	01/2011	03/2012	8.90
74	PA, ITDA, Keonjhar	03/2011	03/2012	2.53
75	CDMO, Sambalpur(ZSS)	09/2003	03/2012	0.13
76	District Social Welfare Officer, Phulbani	04/1999	03/2012	4.29
77	Executive Engineer RW, Sundargarh	03/2008	03/2012	1.44
78	District Welfare Officer, Sundargarh	03/2010	03/2012	12.78
79	District Welfare Officer, Kendrapada	07/1996	03/2012	0.67
80	District Welfare Officer, Jharsuguda	05/2000	03/2012	0.16
81	DI of School, Puri	12/2001	03/2012	1.79
82	District Welfare Officer, Jajpur	05/2004	03/2012	1.00
83	District Welfare Officer, Khurda	01/2007	03/2012	8.15
84	CDMO, Bolangir	1995-96	03/2012	0.41
85	District Welfare Officer, Angul	06/2006	03/2012	1.64
86	BDO, Bolongir	1992-93	03/2012	168.85
87	Executive Engineer RW, Puri	03/2006	03/2012	83.69
88	PA, ITDA, Jeypore	03/1977	03/2012	39.28
89	DI of School, Koraoput	10/1988	03/2012	2.00
90	District Welfare Officer, Puri	03/2009	03/2012	42.95
91	District Social Welfare Officer, Keonjhar	03/1973	03/2012	1.65
92	DI of School, Cuttack	03/1994	03/2012	0.78
93	BDO, Rasulpur (Jajpur)	2009	03/2012	221.28
94	CDMO, Baragarh	11/2010	03/2012	0.74
95	BDO, Baragarh	03/2009	03/2012	112.10

Sl.No.	Name of the Drawing & Disbursing Officer	Period		Amount of advance outstanding as on 31 March 2012
		From	To	
96	DI of School, Phulbani	04/2008	03/2012	0.67
97	District Welfare Officer, Boudh	08/2005	03/2012	14.99
98	District Social Welfare Officer, Baragarh	09/1995	03/2012	191.94
99	PA, ITDA, Rayagada	03/1986	03/2012	68.58
100	PA, ITDA, Koraput	03/1977	03/2012	136.50
101	District Social Welfare Officer, Baripada	10/2008	03/2012	9.79
102	BDO, Simulia (Balasore)	2008-09	03/2012	3.95
103	BDO, Balasore (Sadar)	04/2009	03/2012	54.63
Total				4590.02 (₹ 45.90 crore)

APPENDIX – 3.13

(Refer paragraph 3.10.2 at page 72)

Statement showing the details of paid vouchers as on 31 March 2012

(in ₹)

Sl. No.	Name of the DDO	Name of the Deptt.	Period		Amount of paid voucher
			From	To	
01	DDA Keonjhar	Agriculture	1987-88	2011-12	5,84,941
02	DAO Keonjhar	Agriculture	2009-10	2011-12	9,693
03	DAO Anandapur	Agriculture	2008-09	2011-12	6,03,484
04	DAO Berhampur	Agriculture		2011-12	17,152
05	EE(Agril)SZ Berhampur	Agriculture	2009-10	2011-12	3,41,645
06	DAO Jagatsinghpur	Agriculture		2011-12	15,493
07	DAO Phulbani	Agriculture		2011-12	17,452
08	DAO Angul	Agriculture		2011-12	24,250
09	DDA Cuttack	Agriculture		2011-12	1,33,342
10	Director of Horticulture, Bhubaneswar	Agriculture	2000-01	2011-12	23,07,998
11	Director of Soil Conservation, Bhubaneswar	Agriculture	2001-02	2011-12	1,74,229
12	Collector Phulbani	Revenue	1991-92	2011-12	72,637
13	Collector Angul	Revenue	1996-97	2005-06	2,01,356
14	Collector Subarnapur	Revenue	1995-96	2011-12	2,32,803
15	Collector, Balasore	Revenue	2006-07	2011-12	13,99,188
16	Collector, Gajapati	Revenue	1999-00	2011-12	3,30,783
17	DSWO, Gajapati	W&CD	1997-98	2011-12	26,528
18	DAO, Bhawanipatna	Agriculture	2011-12		10,229
19	DAO, Cuttack	Agriculture	2008-09	2011-12	2,81,490
20	DSWO, Rayagada	W & CD	2010-11	2011-12	27,121
21	DAO, Koraput	Agriculture	2008-09	2011-12	21,240
22	DAO, Sundargarh	Agriculture	2002-03	2011-12	10,750
23	DSWO, Sundargarh	W & CD	2010-11	2011-12	64,089
24	DSWO, Cuttack	W & CD	2011-12		5,564
25	Collector, Rayagarh	Revenue	2011-12		1,76,842
26	Collector, Bhadrak	Revenue	2001-02	2011-12	18,08,943
27	DAO, Bhadrak	Agriculture	2011-12		16,850
28	DSWO, Nayagarh	W & CD	2004-05	2011-12	41,768
29	Collector, Boudh	Revenue	1997-98	2011-12	1,55,080
30	DAO, Jajpur	Agriculture	2000-01	2011-12	9,896
31	DSWO, Khurda	W & CD	1999-00	2011-12	2,53,501
32	DSWO, Dhenkanal	W & CD	1991-92	2011-12	1,59,290
33	DSWO, Boudh	W & CD	2001-02	2011-12	5,32,142
34	DAO, Kuchinda	Agriculture	2011-12		6,483
35	DSWO, Deogarh	W & CD	2009-10	2011-12	52,656
36	Collector, Puri	Revenue	1964-65	2011-12	63,65,596
37	DSWO, Puri	W & CD	2011-12		3,50,732
38	DAO, Rairangpur	Agriculture	2011-12		53,191

Sl. No.	Name of the DDO	Name of the Deptt.	Period		Amount of paid voucher
			From	To	
39	ASCO, Niladunguri	Agriculture	2008-09	2011-12	16,465
40	DAO, Champua	Agriculture	2011-12		10,36,359
41	Asst. Dir. Horticulture, Champua	Agriculture	1997-98	2011-12	2,38,972
42	DDA, Puri	Agriculture	1994-95	2011-12	6,27,995
43	DAO, Gajapati	Agriculture	2009-10	2011-12	36,176
44	DDH, Balasore	Agriculture	1989-90	2011-12	6,80,559
45	DSWO, Nabarangapur	W & CD	2009-10	2011-12	2,31,059
46	DAO, Karanjia	Agriculture	2011-12		1,117
47	DAO, Dharmagarh	Agriculture	2007-08	2011-12	4,377
48	DSWO, Jharsuguda	W & CD	2011-12		10,376
49	DAO, Jharsuguda	Agriculture	2011-12		7,306
50	Collector, Jharsuguda	Revenue	1998-99	2011-12	6,67,918
51	DSWO, Balasore	W & CD	2005-06	2011-12	59,234
52	DAO, Boudh	Agriculture	1997-98	2011-12	18,095
53	DWO, Chatrapur	SSD	2011-12	03/2012	4,84,000
54	DWO, Gajapai	SSD	2011-12	03/2012	2,58,682
55	DWO, Koraput	SSD	1978-79	2011-12	5,12,784
56	DWO, Baragarh	SSD	1994-95	2011-12	3,07,463.55
57	PA ITDA Keonjhar	SSD	5 years		387.00
58	DSWO Phulbani	W & CD			50,602.00
59	DWO Sundargarh	SSD	1982-83	03/2012	15,29,479.00
60	PA ITDA Sundargarh	SSD	12/2002	08/2006	16,860.00
61	DWO Nayagarh	SSD	2007-08	2011-12	76,074.00
62	DWO Kendrapara	SSD	04/2011	03/2012	2300.00
63	D.I of Schools Bolangir	S & M	1987-88	2003-2004	58,191.00
64	D.I of Schools Sambalpur	S & M	98-99	2000-01	10,444.00
65	DWO Sonapur	SSD	06/2007	03/2012	91,773.00
66	D.I of School Sonapur	S & M	03/97	09/2001	20,468.00
67	DWO Jajpur	SSD	95-96	11-12	98,542
68	DWO Khurda	SSD	03/06	03/12	4,24,116
69	DWO Angul	SSD	2/12	03/12	3,23,512
70	DI of Schools Koraput	S & M	93-94	2006-07	2,69,777
71	DWO Puri	SSD	98-99	99-2000	22,859
72	CDMO, Keonjhar	H & FW	2011-12	03/2012	8,213
73	DSWO Keonjhar	W & CD	2005-06	2011-12	3,24,388
74	DWO Deogarh	SSD	11/2008	03/2012	5,000
75	DI of Schools Phulbani	S & M	09/81	03/2012	92,404
76	CDMO Boudh	H & FW	1997	1998	32,011
77	DSWO Bargarh	W & CD	2000-11	03/12	77,356
Total					₹ 2,56,30,120.55 (₹ 2.56 crore)

APPENDIX – 3.14

(Refer paragraph 3.10.3 at page 73)

Statement showing the details of discrepancies between cash book & pass book balance

(in ₹)

Sl. No.	Name of the DDO	Date of physical verification	Balance as per pass book	Balance as per cash book	Difference
01	EE(Agril)CZ, Bhubaneswar	18.06.2012	1,20,73,183.00	1,20,48,183.00	25,000.00
02	Soil Chemist Cuttack	20.06.2012	20,967.00	2041.00	18,926.00
03	Collector Subarnapur	02.07.2012	1,17,89,731.99	1,05,24,369.99	12,65,362.00
04	DAO Subarnapur	04.07.2012	61,34,730.50	57,94,445.50	3,40,285.00
05	BDO Subarnapur	06.07.2012	13,62,35,781.87	13,50,50,768.57	11,85,013.30
06	DAO Jagatsinghpur	12.07.2012	20,79,647.00	20,47,553.00	32,094.00
07	Collector Keonjhar	18.06.2012	10,59,20,394.85	10,64,67,314.55	(-)5,46,919.70
08	DDA Keonjhar	20.06.2012	2,20,15,460.00	1,88,23,090.00	31,92,370.00
09	DAO Anandapur	26.06.2012	22,64,792.00	22,56,829.00	7,963.00
10	BDO Ghasipura	28.06.2012	14,23,47,543.72	14,79,71,946.57	(-)56,24,402.85
11	DAO Berhampur	04.07.2012	15,19,179.00	14,18,440.00	1,00,739.00
12	EE(Agril)SZ Berhampur	06.07.2012	12,25,49,539.00	11,48,22,029.00	77,27,510.00
13	Collector Ganjam , Chatrapur	09.07.2012	17,13,06,270.69	16,68,99,321.69	44,06,949.00
14	Collector Kendrapara	04.07.2012	42,21,41,510.00	34,23,52,290.00	7,97,89,220.00
15	Collector Baripada	27.06.2012	12,89,84,600.21	12,70,48,192.90	19,36,407.31
16	DA & FP Bhubaneswar	20.06.2012	56,78,09,262.00	56,76,83,277.00	1,25,985.00
17	Director of Horticulture Odisha, Bhubaneswar	11.06.2012	28,71,92,688.15	20,32,48,151.00	8,39,44,537.15
18	DAO Phulbani	20.06.2012	26,55,573.00	26,36,643.00	18,930.00
19	Collector Dhenkanal	29.06.2012	15,26,45,722.00	15,27,92,147.00	(-)1,46,425.00
20	DAO Angul	04.07.2012	22,13,044.00	20,93,958.00	1,19,086.00
21	Collector Phulbani	18.06.2012	1,28,07,613.00	1,29,01,214.00	93,601.00
22	Collector Angul	02.07.2012	9,28,26,342.52	8,91,41,796.00	36,84,546.52
23	DAO, Sundargarh	05.10.2012	27,48,741.00	25,90,091.00	1,58,650.00
24	DSWO, Bhadrak	05.10.2012	42,67,33,293.00	30,04,09,449.00	12,63,23,844.00
25	DAO, Bhadrak	03.10.2012	45,78,596.00	45,00,296.00	78,300.00
26	Collector, Bhadrak	29.09.2012	25,48,59,549.00	24,49,42,432.00	99,17,117.00
27	Collector, Balasore	08.10.2012	10,76,99,011.00	10,69,74,840.00	7,24,171.00
28	DAO, Balasore	10.10.2012	31,58,022.00	31,17,410.00	40,612.00
29	Collector, Sambalpur	01.10.2012	10,64,42,889.00	10,59,96,826.00	4,46,063.00
30	DAO, Koraput	06.10.2012	42,12,277.00	41,24,367.00	87,910.00
31	DSWO, Nayagarh	28.09.2012	19,09,82,689.00	5,88,13,771.00	13,21,68,918.00
32	DSWO, Jajpur	11.10.2012	23,05,36,784.00	22,69,92,977.00	35,43,807.00
33	DAO, Jajpur	09.10.2012	46,24,294.00	46,85,279.00	(-) 60,985.00
34	Collector, Koraput	01.10.2012	11,43,88,928.00	11,14,01,761.00	29,87,167.00
35	DDA, Jeypore	09.10.2012	83,43,538.00	81,94,995.00	1,48,543.00
36	Collector, Sundargarh	29.09.2012	32,42,933.00	30,04,729.00	2,38,204.00
37	DSWO, Sundargarh	03.10.2012	11,45,60,703.00	11,50,31,611.00	(-) 4,70,908.00
38	Collector, Kalahandi	03.10.2012	8,27,34,383.00	2,86,25,751.00	5,41,08,632.00
39	DAO, Cuttack	04.10.2012	51,54,036.00	45,14,560.00	6,39,476.00
40	DSWO, Koraput	04.10.2012	38,88,36,162.00	36,34,89,761.00	2,53,46,401.00
41	DAO, Jeypore	11.10.2012	72,76,366.00	51,30,571.00	21,45,795.00
42	PD, Watershed, Khurda	01.10.2012	1,74,13,188.00	1,72,77,851.00	1,35,337.00
43	Collector, Deogarh	10.10.2012	1,23,47,044.00	1,24,83,148.00	(-)1,36,104.00
44	PD, Watershed, Kandhamal	05.10.2012	2,51,76,109.00	3,55,19,473.00	(-)1,03,43,364.00
45	DAO, Bhawanipatna	08.10.2012	35,75,119.00	32,20,338.00	3,54,781.00
46	DSWO, Puri	18.10.2012	24,28,94,771.63	20,48,36,160.84	3,80,58,610.79
47	DDA, Puri	30.09.2012	2,59,86,548.00	2,49,80,088.00	10,06,460.00
48	DAO, Gajapati	11.10.2012	19,51,599.00	16,52,505.00	2,99,094.00
49	DDH, Balasore	11.10.2012	3,31,59,064.00	3,00,53,108.00	31,05,956.00
50	PD Watershed,	18.10.2012	4,81,98,572.00	3,32,41,403.00	1,49,57,169.00

Sl. No.	Name of the DDO	Date of physical verification	Balance as per pass book	Balance as per cash book	Difference
	Nabarangpur				
51	Collector, Nabarangpur	16.10.2012	3,66,38,575.00	1,43,14,125.00	2,23,24,450.00
52	DSWO, Nabarangpur	19.10.2012	19,55,55,497.00	12,13,70,074.00	7,41,85,423.00
53	DAO, Karanjia	08.10.2012	8,48,161.00	5,96,794.00	2,51,367.00
54	DAO, Dharmgarh	29.09.2012	1,75,87,230.00	64,48,808.00	1,11,38,422.00
55	DSWO, Angul	18.10.2012	18,08,84,728.00	15,33,21,970.00	2,75,62,758.00
56	DSWO, Jharsuguda	10.10.2012	5,09,11,523.00	4,17,03,762.00	92,07,761.00
57	DAO, Jharsuguda	12.10.2012	12,03,081.00	15,58,602.00	(-) 3,55,521.00
58	Collector, Jharsuguda	08.10.2012	1,62,42,828.00	1,51,05,180.00	11,37,648.00
59	DSWO, Balasore	12.10.2012	34,77,81,066.00	27,77,03,415.00	7,00,77,651.00
60	DAO, Puri	16.10.2012	16,34,611.00	16,26,790.00	7,821.00
61	Exec. Engg R.W.D. Rayaguda	08.01.2013	24,64,10,288	23,91,41,319	72,68,969
62	D.I of Schools Rayaguda	05.01.2013	4,21,36,494	4,17,53,943	3,82,551
63	D.I of Schools Keonjhar	09.01.2013	2,69,340	78,100	1,91,240
64	PA ITDA Keonjhar	02.01.2013	23,65,87,117.62	34,81,79,076.14	(-)11,15,91,958.52
65	PA ITDA Baripada	09.01.2013	15,71,97,256.59	17,06,96,894.73	(-)1,34,99,638.14
66	D.I of Schools Sundargarh	07.01.2013	3,54,796.15	1,27,567.00	2,27,229,15
67	CDMO Sambalpur	07.01.2013	2,97,162	2,81,900	15,262
68	CDMO Phulbani	03.01.2013	2,71,077	2,45,096	25,981
69	DWO Sundargarh	04.01.2013	1,60,68,930.12	1,61,34,264.12	(-)65,334
70	PA ITDA Sundargarh	02.01.2013	6,16,62,380.00	5,08,20,558.00	1,08,41,822.00
71	DWO Kendrapara	01.02.2013	2,73,57,028	2,64,15,445	9,41,583
72	D.I of Schools JSD	29.01.2013	32,400	17,476	14,924
73	EE RW, Jharsuguda	30.01.2013	74,64,658	NIL	74,64,658
74	D.I of Schools Kendrapada	01.02.2013	22,40,517	21,31,659	1,08,858
75	D.I of Schools Bolangir	18.01.2013	3,22,039	35,330	2,86,709
76	D.I of Schools Sambalpur	15.01.2013	31,03,712	27,63,800	3,39,912
77	EE RW & SS Sambalpur	14.01.2013	1,33,49,477	1,28,13,461	5,36,016
78	DSWO Sonapur	28.01.2013	4,34,68,932	4,08,13,122	26,55,810
79	DWO Sonapur	29.01.2013	1,67,27,229	1,49,85,043	17,42,186
80	D.I of Schools Sonapur	30.01.2013	2,26,941	31,833	1,95,108
81	D.I of Schools Puri	04.01.2013	3,03,106	3,12,837	(-)9,731
82	DWO Jajpur	30.01.2013	1,11,68,053	88,43,319	23,24,734
83	CDMO Blangir	01.02.2013	10,89,662	10,48,385	41,277
84	EE RW & SS Balasore	29.01.2013	1,14,44,028	1,08,29,985	6,14,043
85	BDO Bolangir	21.01.2013	16,81,35,862	16,59,34,988	22,00,874
86	PA ITDA Jeypore	15.01.2013	10,34,09,329	9,77,14,981	56,94,348
87	D.I of Schools Koraput	11.01.2013	2,41,71,146	2,24,21,643	17,49,503
88	D.I of Schools Bhadrak	01.02.2013	9,26,31,926	9,25,38,711	93,215
89	CDMO Bhadrak	31.01.2013	66,151	30,053	36,098
90	CDMO Balasore	15.01.2013	76,98,457	72,77,398	4,21,059
91	DSWO Keonjhar	15.01.2013	28,37,11,665	8,54,43,879	19,82,67,786
92	DWO Cuttack	17.01.2013	84,83,627	71,94,776	12,88,851
93	EE RW Cuttack	09.01.2013	4,21,28,723	4,12,52,188	8,76,535
94	BDO Baripada	02.01.2013	7,07,66,607	5,33,56,807	1,74,09,800
95	BDO Dhankauda(Sambalpur)	02.01.2013	16,32,90,138	8,07,54,692	8,25,35,446
Total					₹ 102,48,69,939.01 (₹ 102.49 crore)

APPENDIX – 3.15

(Refer paragraph 3.10.4 at page 73)

Statement showing the details of non-refund of unspent balance of closed/non-operational scheme

(in ₹)

Sl. No.	Name of the DDO	Name of the scheme	Amount
01	BDO Satyabadi	OBB	80,346.00
02	BDO Subarnapur	OBB	17,086.00
03	BDO Ghasipura	OBB	6,43,365.50
04	BDO Chatrapur	OBB	6950.61
		DP	1,70,648.64
		JRY	2,76,294.00
		RLEGP	1,70,529.00
		NREP	2,05,609.00
		Million Well	2,25,413.00
		IRDPA	17,750.00
		TRYSEM	5974.00
		DWCRA	24,555.00
		05	Director of Soil Conservation Odisha Bhubaneswar	SLUB	10,150.00
Rice & Fish	2,00,000.00		
06	BDO Dhenkanal	ERRP	11,841.00
		Welfare (SP)	200.00
		Land reclamation	24,271.00
		Housing Scheme	1,500.00
07	BDO Talcher	PMMP	251.00
08	BDO Baranga	Feeding programme	19,859.87
		Plantation programme	4,425.77
		Leather training	7,435.10
		Care contingency	10,000.00
09	BDO, Khurda	OBB	66,178.00
		Untied Fund	19,69,946.00
10	DSWO, Bhadrak	National Trust	1,400.00
		DWCRA	6,321.00
		BSY	2,21,305.00
11	DSWO, Balasore	BSY	29,302.00
		Unicef	46,446.00
12	DI of School, Baragarh	Middle English Common Exam.	8,332.00
13	DI of School, Khurda	TFC	58,845.00
14	EE, RW, Jagatsinghpur	NFFW	28,89,117.00
15	DSWO, Sonepur	E. Pragati	4,005.00
		MDM	12,70,733.00
16	BDO, Balangir	SFPP Well	2,09,267.00
		IRDPA	2,243.00
		Millon Well	21,501.00
		Untied Fund	40,000.00
17	DI of School, Koraput	TFC grant	7,65,932.00
18	BDO, Baragarh	PMGY (GIA)	5,21,353.00
		OBB	14,83,150.00
		Watsan	1,56,777.00
		Watsan (W)	59,928.00
19	BDO, Phulbani	OBB	2,80,193.00
Total			₹ 1,22,46,727.99 (₹ 1.22 crore)

APPENDIX – 3.16

(Refer paragraph 3.10.5 at page 73)

Statement showing the detail of the Interest accrued but not taken into account

(₹ in lakh)

SI No.	Name of DDOs	Period	Amount of Interest accrued
1	DSWO Sonapur	4/2011 to 3/2012	6.10
2	DWO Sonapur	4/2011 to 3/2012	1.02
3	EE RW & SS Balasore	12/2010 to 3/2012	1.58
4	BDO Boudh	07-08 to 3/2012	32.99
5	DI of School Phulbani		0.02
TOTAL			41.71

APPENDIX – 3.17

(Refer paragraph 3.10.6 at page 73)

Statement showing the details of timebarred Bank Drafts

(₹ in lakh)

SI No.	Name of DDO	Period of BD	No. of BDs	Amount
1	PA ITDA Sundargarh	12/11 to 3/12	27	10.16
2	DWO Jajpur	7/11 to 3/12	75	2.17
3	DWO Angul	3/09 to 3/12	28	0.99
Total			130	13.32

APPENDIX –3.18

(Refer paragraph 3.10.7 at page 74)

Statement showing the details of Undisbursed Pay & Allowances

(₹ in lakh)

	Name of the DDOs	Period	Amount
1	DI of School, Jharsuguda	Prior to 02/2012	0.05
2	DI of School, Kendrapada	3/2011 to 3/2012	2.95
3	DI of School, Rayagada	2/2005 to 8/2008	1.57
4	DSWO, Khurda	6/2005 to 5/2006	0.73
TOTAL			5.30

APPENDIX – 3.19

(Refer paragraph 3.10.8 at page 74)

Statement showing the details of DDOs who did not get their cash physically verified on the date of audit.

SL.No.	Name of the Drawing Disbursing Officer	Name of the Department	Date of audit.
1.	Dy. Director of Agriculture, Cuttack	Agriculture	23.06.2012
2.	Collector, Chatrapur	Revenue	09.07.2012
3.	Block Development Officer, Satyabadi	Panchayati Raj	26.06.2012
4.	Collector, Nayagarh	Revenue	18.06.2012
5.	Block Development Officer, Nayagarh	Panchayati Raj	23.06.2012
6.	Collector, Khurda	Revenue	03.07.2012
7.	Block Development Officer, Rajnagar	Panchayati Raj	11.07.2012
8.	Block Development Officer, Dhenkanal	Panchayati Raj	25.06.2012
9.	Block Development Officer, Talcher	Panchayati Raj	06.07.2012
10.	Block Development Officer, Baranga	Panchayati Raj	12.07.2012
11	DWO Nayagarh	Welfare, SC & ST Development	30.01.2013
12	BDO Tileibani	Panchayati Raj	29.01.2013
13	DWO Jharsuguda	Welfare, SC & ST Development	18.01.2013
14	DI of School, Bhubaneswar	School & Mass Education	16.01.2013
15	BDO Phulbani	Panchayati Raj	02.01.2013

APPENDIX – 3.20

(Refer paragraph 3.10.9 at page 74)

Statement showing the details of DDOs who did not conduct physical verification of cash at the end of each month.

(₹ in lakh)

Sl.No.	Name of the DDO	Amount involved	Period for non-conduct of physical verification
1.	Collector, Angul	1018.94	4/2009 to 3/2012
2.	Collector, Dhenkanal	1545.74	3/2009 to 3/2012
3.	Collector, Phulbani	264.15	4/2009 to 3/2012
4.	Dist.Agriculture Officer,Phulbani	42.63	10/2010 to 3/2012
5.	Dist.Agriculture Officer,Angul	46.21	4/2010 to 3/2012
6.	Block Development Officer,Dhenkanal	1856.89	4/2007 to 3/2012
7.	Block Development Officer,Talcher	938.17	4/2007 to 3/2012
8.	Block Development Officer,Baranga	1305.32	4/2008 to 3/2012
9.	Dy.Director of Agriculture,Cuttack	108.35	4/2009 to 3/2012
10.	Collector, Baripada	1496.74	5/2010 to 3/2012
11.	Collector,Keonjhar	2160.84	8/2010 to 3/2012
12.	Dy.Director of Agriculture,Keonjhar	285.82	4/2011 to 3/2012
13.	Dist.Agriculture Officer,Keonjhar	9.34	4/2011 to 3/2012
14.	Dist.Agriculture Officer,Anandpur	45.89	4/2010 to 3/2012
15.	Block Development Officer,Ghasipura	2463.26	4/2007 to 3/2012
16.	Dist.Agriculture Officer,Berhampur	37.66	4/2011 to 3/2012
17.	E.E(Agriculture)SZ,Berhampur	1529.33	4/2011 to 3/2012
18.	Collector, Chatrapur	1371.90	4/2009 to 3/2012
19.	Block Development Officcer,Chatrapur	1361.95	4/2007 to 3/2012
20.	Block Development Officer,Satyabadi	2244.59	4/2007 to 3/2012
21.	Collector, Subarnapur	534.72	4/2009 to 3/2012
22.	Dist.Agriculture Officer,Subarnapur	62.73	3/2010 to 3/2012
23.	Block Development Officer,Subarnapur	1768.08	4/2007 to 3/2012
24.	Dist.Agriculture Officer,Jagatsinghpur	49.44	2/2012 to 6/2012
25.	Collector, Nayagarh	1884.13	5/2010 to 3/2012
26.	Block Development Officer, Nayagarh	1910.23	4/2007 to 3/2012
27.	Collector, Khurda	1527.50	4/2010 to 3/2012
28.	Collector, Kendrapara	6230.77	4/2011 to 3/2012
29.	Block Development Officer,Rajnagar	2187.78	4/2007 to 3/2012
30.	DSWO, Balasore	1230.91	4/2009 to 3/2012
31.	DAO, Puri	42.29	8/2011 to 3/2012
32.	DSWO, Jharsuguda	905.58	2/2012 to 3/2012
33.	DSWO, Angul	2178.70	4/2009 to 3/2012
34.	DAO, Karnjia	14.51	4/2011 to 3/2012
35.	DSWO, Jagsinghpur	1945.19	11/2011 to 3/2012
36.	DAO, Koraput	68.29	4/2011 to 3/2012
37.	DSWO, Bhadrak	2960.76	4/2009 to 3/2012
38.	DAO, Sundargarh	78.79	1/2012 to 3/2012
39.	BDO, Khurda	1181.05	4/2007 to 3/2012
40.	DSWO, Sundargarh	1571.89	4/2009 to 3/2012
41.	PD Watershed, Khurda	66.69	8/2011 to 3/2012
42.	DSWO, Sambalpur	1367.56	2/2009 to 3/2012
43.	DWO Nayagarh	463.37	4/2010 to 03/2012
44.	CDMO Nayagarh	0.03	4/2011 to 03/2012
45.	DWO Kendrapada	276.46	4/2010 to 03/2012
46.	DI of School Deogarh	2.69	3/2011 to 03/2012
47.	BDO Tileibani	354.42	2007-08 to 03/2012
48.	DI of School Jharsuguda	7.40	12/2011 to 03/2012

Sl.No.	Name of the DDO	Amount involved	Period for non-conduct of physical verification
49	EE RW Jharsuguda	197.46	7/2008 to 03/2012
50	DI of School Kendrapada	11.80	2/2010 to 03/2012
51	DI of School Bolangir	4.25	11/2010 to 03/2012
52	ADMO Jharsuguda	0.50	4/2010 to 03/2012
53	DI of School Khurda	4.50	4/2010 to 03/2012
54	DWO Jharsuguda	155.37	2/2011 to 03/2012
55	DI of School Sambalpur	31.10	4/2009 to 03/2012
56	EE RW & SS Sambalpur	481.04	4/2010 to 03/2012
57	DSWO Sonapur	1564.79	4/2010 to 03/2012
58	DWO Sonapur	180.67	4/2010 to 03/2012
59	DI of School Sonapur	281.88	3/2011 to 03/2012
60	DWO Khurda	216.22	4/2009 to 03/2012
61	CDMO Angul	0.17	4/2009 to 03/2012
62	DWO Angul	192.00	4/2010 to 03/2012
63	PA ITDA Jeypore	1671.56	4/2010 to 03/2012
64	DSWO Keonjhar	1732.05	4/2010 to 03/2012
65	DWO Cuttack	363.86	4/2011 to 03/2012
66	DI of School Cuttack	29.06	6/2010 to 03/2012
67	BDO Rasulpur	1737.57	5/2011 to 03/2012
68	DWO Deogarh	44.47	4/2010 to 03/2012
69	CDMO Baragarh	4.97	8/2009 to 03/2012
70	BDO Baragarh	1770.59	2007-08 to 03/2012
71	BDO Puri(Panchayat Samiti)	1731.02	04/2009 to 03/2012
72	BDO Dhankauda(Sambalpur)	1298.99	4/2010 to 03/2012
Total		64711.57	
		(₹ 647.12 crore)	

APPENDIX – 4.1

Glossary of terms (and basis of calculation) and Acronyms used in the Report

Terms	Basis of Calculation
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorized by the Legislative Assembly in the budget grants under each voted grants and charged appropriation vis-à-vis the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt.
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth Rate
Buoyancy of a parameter (X) With respect to another parameter (Y)	$\text{Rate of Growth of parameter (X)} / \text{Rate of Growth of parameter (Y)}$
Committed expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
Consolidated fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the CFI is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingency Fund	Legislature Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislature Assembly by law under Article 115 or Article 116 of the Constitution.
Contingent liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Debt stabilization	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt*rate spread), debt sustainability condition

Terms	Basis of Calculation
	states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Development Expenditure	Social Services + Economic Services
Escrow Account	In order to ensure fiscal discipline in public sector undertaking/Urban Local bodies/co-operative Institutions and State-owned Companies etc., and to ensure minimizing the default on payment of government guaranteed loans the Government in Finance Department vide their Resolution No.11311/F dated 19 March 2004 have issued instructions that all Public Sector Undertakings/ Urban Local bodies/ Co-operative Institutions and State-owned Companies etc. who have borrow against government guarantee will open an Escrow Account in a nationalized bank for timely repayment of guaranteed loans. The proceeds of this account shall first be utilized for payment of dues of the financial Institutions and it is only after meeting such payments that the surplus amount shall be diverted for other payments including salaries.
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. Government of Orissa have constituted a guaranteed redemption fund during the year 2002-2003 with the objective of meeting the payment obligations arising out of the default in discharging the debt servicing for the loans guaranteed by Government.
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received/ [(Opening balance + Closing balance of Loans and Advances)/2]*100
Interest spread	GSDP growth – Average Interest Rate
Net availability of borrowed funds	Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.
Primary Deficit	Fiscal Deficit – Interest payments
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Public Accounts committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the appropriation accounts of the State, the

Terms	Basis of Calculation
	annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinize.
Quantum spread	Debt stock *Interest spread
Rate of Growth (ROG)	[(Current year Amount /Previous year Amount)-1]*100
Re-appropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Sinking Fund	A Fund into which the government sets aside money over time, in order to retire its debt.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
Supplementary grants	If the amount authorized by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some ‘new service’ not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Department, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Department is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
State implementing schemes	State Implementing Agency includes any Organisation/Institution including Non-Governmental Organisation which is authorized by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for Sarva Siksha Aviyan and State Health Mission for National Rural Health Mission, etc.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the major head “8658-Suspense Account” in the sector “L. Suspense and Miscellaneous” of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head “Suspense Account” but should be credited to the minor head “Other Receipt” under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.

Acronyms	Full Form
AC	Abstract Contingency
AE	Aggregate Expenditure
BE	Budget Estimates
BDA	Bhubaneswar Development Authority
BOO	Built, Own and Operate
BOOT	Built, Own, Operate and Transfer
BOOST	Built, Own, Operate, Share and Transfer
BOT	Built, Operate and Transfer
BRGF	Backward Region Grant Fund
CAG	Comptroller and Auditor General of India
CE	Capital Expenditure
CFS	Consolidated Fund of the State
DBOO	Design, Built, Own and Operate
DBFOT	Design, Built, Finance, Operate and Transfer
DBOOT	Design, Built, Own, Operate and Transfer
DBT	Design, Built and Transfer
DCC	Detailed Countersigned Contingent
DCRF	Debt Consolidation and Relief Facility
DE	Development Expenditure
DRDA	District Rural Development Agency
DRAFOMT	Design, Renovate, Augment, Finance, Operate, Maintain and Transfer
FCP	Fiscal Correction Path
FRBM	Fiscal Responsibility and Budget Management
GoI	Government of India
GSDP	Gross State Domestic Product
IAY	Indira Awas Yojana
IDCO	Orissa Industrial Infrastructure Development Corporation
IP/RR	Interest Payment/ Revenue Receipt
MTFP	Medium Term Fiscal Plan
MGNREGS	Mahatma Gandhi National Rural employment Guarantee Scheme
NPRE	Non-Plan Revenue Expenditure
NHM	National Horticulture Mission
NABARD	National Bank For Agriculture and Rural Development
NSSF	National Small Savings Fund
O&M	Operation and Maintenance
OGFR	Orissa General Financial Rules
ONTR	Own Non Tax Revenue
OTR	Own Tax Revenue
OTS	One Time Settlement
OWDM	Orissa Watershed Development Mission
PCDE	Per Capita Development Expenditure
PIA	Project Implementing Agencies
PMGSY	Pradhan Mantri Gram Sadak Yojana.
PPP	Public Private Partnership

Acronyms	Full Form
PSU	Public Sector Units
RE	Revenue Expenditure
RFP	Request for Proposal
RR	Revenue Receipts
RGGY	Rajiv Gandhi Gram Vidut karan Yojana.
S&W	Salaries and Wages
SGRY	Sampoorna Gramin Rojgar Yojana
SGSY	Sampoorna Gramin Swarojgar Yojana
SJSRY	Swarna Jayanti Sahari Rojgar Yojana
SSE	Social Sector Expenditure
TE	Total Expenditure
TFC	Twelfth Finance Commission
UC	Utilization Certificates
UOMMST	Upgrade, Operate, Maintain, Manage, Share and Transfer
VAT	Value Added Tax
VGf	Viability Gap Fund

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