

**GOVERNMENT OF ODISHA**  
**FINANCE DEPARTMENT**

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No. 3 1 0 7 9 /F.,  
FIN-BUD1-BT-0005-2023

Date: 10 / 11 / 2 0 2 3

**From**

**Vishal Kumar Dev, I.A.S.**  
**Principal Secretary to Government**

**To**

**All Secretaries to Government/**  
**Heads of Departments**

**Sub: Preparation of Revised Estimates for 2023-24 and Budget Estimates for 2024-25.**

**Sir/Madam,**

The Annual Budget 2024-25 will be presented in the Odisha Legislative Assembly in the month of February, 2024. So, the process of formulation of Revised Estimates for 2023-24 and Budget Estimates for 2024-25 is required to be completed expeditiously for enabling Finance Department to present the Budget in the Odisha Legislative Assembly in due time. In addition to the general instructions contained in Chapter- III of Odisha Budget Manual, the following supplementary instructions are to be followed while framing the Revised Estimates for the current year 2023-24 and Budget Estimates for the financial year 2024-25.

**2. Government's strategic priorities:** The priorities of the State Government have been aligned to the Sustainable Developmental Goals, 2030 and its associated targets. Focus of the Government is to eradicate poverty, combat inequality, women empowerment, create conditions for sustainable, inclusive and sustained economic growth with decent work for all. The State is making immense investment in healthcare, education, skill development, drinking water facilities, irrigation, rural connectivity, sanitation, sports infrastructure and urban civic amenities. The industrial diversification and promotion of Small and Medium Industries has remained a focus area of the State. Crop diversification with effective market linkage and correct information dissemination in agriculture would be a significant contributor to local economic development and sustained inclusive growth. Empowerment and financial inclusion of women has always been the focused area of the Government.

**3. Economic Outlook:** As per the latest IMF projection, Global growth is projected at 3 per cent in both 2023 and 2024. RBI has projected India's economy to grow around 6.5% during the current as well as ensuing fiscal year. However, weak external demand, geo-economic fragmentation, and protracted geopolitical tensions in Europe and Middle East would pose risks to the growth outlook. The State economy is poised to grow at 8 per cent to 8.5 per cent in real terms in 2023-24 by harnessing human, natural, and financial resources and strengthening the productive base of the economy and the momentum is expected to continue in 2024-25.

4. **Resource Outlook:** Considering the projected growth rate for GDP, inflation and buoyancy of the direct and indirect taxes at national and State level, total revenue receipt of the State has been estimated to grow at about 12 per cent in FY 2024-25 over the current year's revised estimates. Major shocks to the revenue receipt may arise due to fluctuation of the mineral prices at international level and unpredictability in flow of Central assistance under Centrally Sponsored Schemes.

5. **FRBM compliance:** The Odisha FRBM Act, 2005 mandates to maintain revenue balance and contain the fiscal deficit within 3% of GSDP. Additional annual borrowing space of 0.5% of GSDP would be available during the four-year period from 2021-22 to 2024-25 as per recommendation of 15<sup>th</sup> Finance Commission subject to fulfilment of sectoral reforms prescribed by Government of India from time to time. Provision for carrying forward the unused borrowing space to successive financial years and its utilization in subsequent years would also be available during the award period till 2025-26. The requirement of higher Capital Expenditure is contingent upon generation of higher revenue surplus by rationalization and prioritization of revenue expenditure. Thus, the State Government would try to adhere to FRBM requirements for Revised Estimates, 2023-24 and Budget Estimates, 2024-25 which are given below:

Indicators	2023-24 (BE)	2023-24 (RE)	2024-25 (BE)
Revenue Surplus (+)/ Deficit (-) (% of GSDP)	(+) 2.53%	Revenue Surplus	Revenue Surplus
Fiscal Deficit (% of GSDP)	3.0%	3.0%	3.0%

#### 6. Preparation of Annual Budget for FY 2024-25

The preparation of budget for FY 2024-25 will be based on the principles adopted for Annual Budget, 2023-24 which *inter-alia* include advanced budget calendar, macro-fiscal forecasting and advanced indication of Departmental ceilings (both for Administrative and Programme Expenditure). The Departments will be given sufficient time to have thorough scrutiny and prioritization of the Budget proposals within the ceiling communicated. All the Departments will also be communicated with a **multi-year ceiling for next three years**, i.e. Budget Year (Y), Y+1 and Y+2, so that Departments would have predictability in fund flow and can make multi-year project planning.

Following budget process will be adopted for FY 2024-25, with allocation of sufficient length of time for submission of expenditure estimates by **15<sup>th</sup> December, 2023**.

- i. Ceiling will be communicated through BETA system on broad category of expenditure with flexibility to the Departments to prioritize the expenditure within the broad ceiling.

- ii. Each Administrative Department will receive their Departmental ceiling disaggregated by Administrative Expenditure (Salaries, Maintenance and others), Programme Expenditure (State Sector Schemes, Centrally Sponsored Schemes, and Central Sector Schemes), Transfers from State (Central Finance Commission, State Finance Commission and others) and Disaster Response Funds (SDRMF and NDRMF).
- iii. Previously established norms and practices should be adopted for preparation of estimates by Departments within the ceilings communicated. To this end, the guidelines for determining Administrative Expenditure are given in tabular form at **Annexure –I**.
- iv. Finance Department in consultation with the Planning & Convergence Department will bring out a “**Fiscal Strategy Report**” indicating the assumptions for revenue and expenditure projections in the medium term and the outlook for the State economy and finances.
- v. The Annexures in which various budget related information are being collected have been rationalized and steps are taken to collect more information from the database available in various systems. Other documents, like - Statement under FRBM Act, SDG Budget, Gender Budget, Child Budget, Nutrition Budget and Climate Budget documents, etc. would be prepared mostly by using the information from budget database.

## 7. **Preparing Budget Estimates, 2024-25 in respect of Programme Expenditure**

- a. Sectoral priorities are to be identified in line with State priorities and SDGs where ever relevant. Allocation under State Sector Schemes should not be made for schemes not appraised by EFC/SFC as the case may be.
- b. Allocation for Centrally Sponsored Schemes and Central Sector Schemes should be proposed taking into account the likely level of Central Assistance to be received for the schemes for the budget year within the overall ceiling communicated for the sectors.
- c. The State Government is now maintaining separate Budget lines for Central and State Share under each Centrally Sponsored Scheme (CSS) as per the revised guidelines of Government of India for release of funds under CSS communicated vide MoF (DoE) OM dated 23.03.2021. Two separate line items, i.e. 78768-Central Share of CSS and 78769-State Share of CSS have been created for the purpose.
- d. In the meanwhile, Government of India has selected Odisha for piloting of alternative fund flow mechanism of SNA-SPARSH to ensure Real time system of Quick Transfers through integration of PFMS, State IFMS and e-Kuber platform of RBI. The SNA-SPARSH mechanism requires making Budget provision under the functional units (either 5<sup>th</sup> or 6<sup>th</sup> level) of the Chart of Account in respect of the

CSS Schemes covered under it. There would be no need for bifurcation of Budget lines for Central and State Share under the CSS Scheme being taken up under SNA-SPARSH.

- e. Earmarking of allocation for different Schemes under the Programme Expenditure for Tribal Sub-Component and Scheduled Caste Sub-Component is to be done as per the norm.
- f. Break-up of allocation under Programme Expenditure for District Sector and State Sector Schemes is to be made as per the current practice.
- g. Convergence of extra-budgetary resources to budgetary resources and between budgetary resources is to be made a part of the budgetary exercise to ensure productive output.

## **8. Completion of Annexures.**

Some information along-with the budget proposals are collected for budget scrutiny at Finance and P&C Departments. With automation of budget preparation process and availability of various data in BETA and IFMS, it has now become possible to fetch a number of information from the systems without depending upon the Departments. The three annexures broadly seek information on man-power position & salary requirement, grant-in-aid salary requirement and vehicle position. Even the manpower and salary related annexures would be made available to the DDO with pre-populated data from HRMS, which are only to be verified and modifications to be made, if required. This will make it simple and easy for all budget estimating officers to complete the annexures. The relevant annexures to be completed are as below:

- i. **Annexure-II:** Sanctioned Strength, Vacancies and Man-in-position and salary requirement
- ii. **Annexure-III:** Estimate of Grant-in-aid Salary
- iii. **Annexure-IV:** Position of vehicles and related expenditure

## **9. Process for Submission of Budget Proposal**

- (i) There will be no change in budget making process in the IFMS system for DDOs and Controlling Officers for processing the budget proposal for the financial year 2024-25.
- (ii) However, ceilings will be communicated in the BETA system at the broad expenditure category as mentioned in para-6(ii). Departments are required to map the budget proposals to the broad ceilings. **Proposals beyond the ceiling will not be allowed to be processed in BETA system.**

### 10. Budget calendar and timelines for completing the Budget Estimates

A lot of information is to be collected and compiled before the Budget is placed before OLA. Hence, Budget documents are to be prepared in a tight time schedule. Therefore, all Departments and Controlling Officers are required to adhere to the timeline mentioned in the following table.

Date	Activity	Responsibility
15 <sup>th</sup> December, 2023	Submission of proposals for Budget Estimates, 2024-25	Administrative Departments
16 <sup>th</sup> -31 <sup>st</sup> December, 2023	Pre-budget consultation meetings	Finance Department P&C Department
3 <sup>rd</sup> February, 2024	Revision of estimates after Pre-budget consultation and Union Budget, 2024-25	Finance Department P&C Department
Between 4 <sup>th</sup> - 6 <sup>th</sup> February, 2024	Approval of Annual Budget, 2024-25 by the Council of Ministers	Finance Department
2 <sup>nd</sup> week of February, 2024	Budget presentation by Minister, Finance	Finance Department

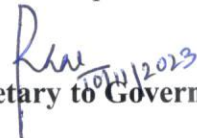
**Enclosures:** List along with proforma.

Yours faithfully,

  
10/11/23  
**Principal Secretary to Government**


**Memo No. 31080 /F Dated 10/11/2023**

Copy forwarded to Financial Advisors/Assistant Financial Advisors of Departments of Government and Accounts Officers of Heads of Departments for information and necessary action.

  
Joint Secretary to Government

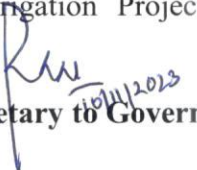
**Memo No. 31081 /F Dated 10/11/2023**

Copy forwarded to all Officers/ Sections of Finance Department for information and necessary action.

  
Joint Secretary to Government

**Memo No. 31082 /F Dated 10/11/2023**

Copy forwarded to all Treasury Officers of District Treasuries and Special Treasuries/Sub-Treasury Officers/F.A. and C.A.O of all the Irrigation Projects for information and necessary action.

  
Joint Secretary to Government

**Memo No. 31083 /F Dated 10/11/2023**

Copy forwarded to Private Secretary to Hon'ble Minister, Finance/Chief Secretary/ Advisor to Chief Minister/ Development Commissioner-Cum-A.C.S. for kind information of Hon'ble Minister, Finance/Chief Secretary/ Advisor to Chief Minister/ Development Commissioner-Cum-A.C.S.

  
Joint Secretary to Government

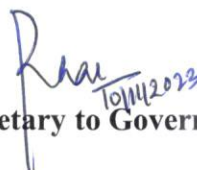
**Memo No. 31084 /F Dated 10/11/2023**

Copy forwarded to the Accountant General (A&E), for favour of information.

  
Joint Secretary to Government

**Memo No. 31085 /F Dated 10/11/2023**

Copy forwarded to the Portal-in-Charge, FID with request to upload the circular in the website of Finance Department at <https://finance.odisha.gov.in/>.

  
Joint Secretary to Government

**ANNEXURE-I**

<b>Guidelines for preparation of budget proposal for Administrative Expenditure</b>			
<b>Sl. No.</b>	<b>Unit of Expenditure</b>	<b>Percentage growth</b>	<b>Remarks</b>
1	Pay	3% on account of Annual increment	No salary provision against the vacant posts except in cases where Finance Department has explicitly allowed filling up of vacancies
2	Dearness Allowances	55% of Basic Pay	
3	HRA	@ 12% of the Pay or the double the HRA paid in 2019-20, whichever is less	
4	Requirement on account of MACPS	To be mentioned for assessment of the total salary requirement.	
5	Consolidated pay for contractual appointees.	Should be shown separately	
6	Salary/ wages of work charged/ Job Contract/ NMR/ DLR	As per existing norm	
7	Telephone, TE and OC	Same level of B.E 2023-24 (BE)	
8	Decretal dues and Land Acquisition Cases	As per actual requirement	
9	RCM	@ Rs.2000/- per head	
10	MV (PoL)	Same level of B.E 2023-24 (BE)	
11	MV (Hiring charges)	As per approved rate.	
12	LTC	As per actual requirement	
13	RRT, Municipal Tax, Water Charges, Electricity charges	As per actual requirement	
14	O&M Expenditure	Same level of B.E 2023-24 (BE)	<b>Subject to preparation of Annual Maintenance Plan</b>
15	Debt servicing cost	As per actual requirement	
16	Loans & Advances	As per actual requirement	

**Sanctioned Strength, Vacancies and Man-in-position and salary requirement**

D.D.O of \_\_\_\_\_ ( Name of the Establishment)

Category (Administrative EXP/Programme Expenditure/Disaster Management/Transfer from State)

Sub Category: E.O.M/DSE/SSS/CS/CSS/NDRF/SDRF/SFC/CFC/

Sector State Sector/District Sector

Chart of Account: Major Head Sub-Maj Head Minor Head Sub-Head Voted/Charged

**Abstract of Employee Strength**

Sl. No.	Group	Sanctioned Strength	Vacancy as on 01.03.2023	Anticipated vacancy from 01.03.2023 to 29.02.2024	Total Vacancy as on 01-03-2024 (4+5)	Anticipated Men in position as on 01.03.2024 (3-6)	Vacancy likely to be filled up (+)/arise due to retirement etc. (-) during the next Financial Year	Anticipated Men in position for whom budget provision is proposed
1	2	3	4	5	6	7	8	9
1	Group A							
2	Group B							
3	Group C							
4	Group D							





**Estimates of Grants-in-aid Salary**

**(AE, PE Separately)**

Scale of Pay	Total sanctioned and approved strength	No. of Vacancies as on 01.03.2023	Sharing pattern by State Govt.	RE for 2023-24	Estimate of current salary for 2024-25						Arrears salary if any; give the particulars	Additionality on account of RACP/MACP	Total estimates for 2024-25 (11+12+13)
					Pay	DA	HRA	RCM	OA	Total to 10) (6			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(a) Teaching posts													
(b) Non-Teaching posts													
(c) Total (a+b)													

1. For salaries drawn under direct payment system information in respect of Colleges, Secondary Schools and Primary Schools be compiled and furnished in separate statements. The information for Secondary Schools and Primary Schools be furnished in separate statements for each Inspector of Schools and each District Inspector of Schools.
2. In regard to grant-in-aid to meet the share up to a particular limit similar information may be furnished separately for Colleges and Schools in separate Statements.
3. The H & U.D. Department need furnish similar information in respect each U.L.Bs provided with grants-in-aid upto a specified percentage of pay and Dearness Allowance.
4. Panchayati Raj Department shall furnish in respect of the posts for which Govt. provides Grants-in-aid.
5. Agriculture Dept./Industry Dept./H & FW Dept. and other Departments providing Grants-in-aid for salary are also to furnish.

**(For School & Mass Education Department / Higher Education Department only)**

**(Rs. in Trs.)**

<b>No. of schools/Colleges receiving GIA</b>	<b>No. of employees receiving GIA in respect of those Schools / Colleges</b>	<b>Current requirement in the pre-revised scale per annum.</b>	<b>Arrears in the pre-revised scale, if not paid, &amp; carried over to 2023-24</b>	<b>Total for 2023-24 in the Pre-revised scale (3+4)</b>	<b>Differential amount of salary on the revised scale of pay for the year 2023-24 only</b>	<b>Arrear differential pay in the revised scale upto 31.03.2024</b>	<b>Total differential arrear (6+7)</b>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**Information on teaching and non-teaching posts, vacant posts, vacant posts abolished, men in position etc. under grant-in-aid fold.**

**(For School & Mass Education Department/ Higher Education Department only)**

**(Separately for Administrative Expr. and Programme Expr.)**

**(RS. IN TRS)**

Name of the School/College	Total teaching posts receiving Grant-in-aid				No. of non-teaching staff receiving Grant-in-aid				Total teaching and non-teaching posts (5+9)																																				
	No. receiving 1/3 <sup>rd</sup>	No. receiving 2/3 <sup>rd</sup>	No. receiving full.	Total	No. receiving 1/3 <sup>rd</sup>	No. receiving 2/3 <sup>rd</sup>	No. receiving full.	Total																																					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)																																				
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="3">Vacant posts if any receiving GIA as on <b>01.03.2023</b></td> <td colspan="3">Vacant posts abolished by <b>30.10.2023</b></td> <td colspan="3">Men in position as on <b>01.11.2023</b></td> <td colspan="2">Vacant Posts anticipated to be abolished as on <b>29.02.2024</b></td> </tr> <tr> <td>Teaching</td> <td>Non-teaching</td> <td>Total (11+12)</td> <td>Teaching</td> <td>Non-teaching</td> <td>Total (14+15)</td> <td>Teaching</td> <td>Non-teaching</td> <td>Total (17+18)</td> <td>Teaching</td> <td>Non Teaching</td> <td>Total</td> </tr> <tr> <td>(11)</td> <td>(12)</td> <td>(13)</td> <td>(14)</td> <td>(15)</td> <td>(16)</td> <td>(17)</td> <td>(18)</td> <td>(19)</td> <td>(20)</td> <td>(21)</td> <td>(22)</td> </tr> </table>											Vacant posts if any receiving GIA as on <b>01.03.2023</b>			Vacant posts abolished by <b>30.10.2023</b>			Men in position as on <b>01.11.2023</b>			Vacant Posts anticipated to be abolished as on <b>29.02.2024</b>		Teaching	Non-teaching	Total (11+12)	Teaching	Non-teaching	Total (14+15)	Teaching	Non-teaching	Total (17+18)	Teaching	Non Teaching	Total	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Vacant posts if any receiving GIA as on <b>01.03.2023</b>			Vacant posts abolished by <b>30.10.2023</b>			Men in position as on <b>01.11.2023</b>			Vacant Posts anticipated to be abolished as on <b>29.02.2024</b>																																				
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(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)																																		
Men in position as on <b>01.03.2024</b> after abolition of the vacant posts indicated in Col.22			Annual requirement of Grant-in-Aid salary for men in position as in Col.25			Remarks																																							
Teaching	Non Teaching	Total (23+24)	Teaching	Non-teaching	Total (26+27)																																								
(23)	(24)	(25)	(26)	(27)	(28)	(29)																																							

