

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 29019 /F.,
FIN-BUD1-BT-0005-2025

Date: 15/10/2025

From

Sanjeeb Kumar Mishra, IAS,
Principal Secretary to Government.

To

All Additional Chief Secretaries/
Principal Secretaries/
Commissioner-cum-Secretaries/
Secretaries to Government.

Sub: Proposals for Supplementary Statement of Expenditure for the financial year 2025-26.

Madam/Sir,

I am directed to say that the Annual Budget, 2025-26 was presented in the Assembly on 17th February, 2025 and the Appropriation Act was enacted on 29th March, 2025.

2. In the meanwhile, we are in the midst of the Fiscal Year and the Departments may need some internal realignment of Budget allocations to give effect to certain policy decisions, like – implementation of new Schemes and Programmes, new CSS Schemes of the Government of India, and other evolving development and welfare priorities of the Government. There have also been instances of re-appropriations, so as to meet any additional requirement by surrender under appropriate units of expenditure. Above issues need to be addressed in the Supplementary Statement of Expenditure, 2025-26. The Supplementary Budget, 2025-26 is likely to be presented in the Odisha Legislative Assembly during the Winter Session of the Assembly. Accordingly, proposals for inclusion in the Supplementary Statement of Expenditure are required to be submitted to Planning & Convergence Department and Finance Department strictly in accordance with the guidelines indicated below.

3. **Government's current-year priorities:** The State Government has identified some major development pillars to achieve high standards of public service delivery, with a focus on inclusive growth and improved quality of life for citizens. These pillars - Annadata, Samruddhi, Samanata, Sustha Odisha, Climate Ready Odisha, Innovation, Balanced Regional Development, Sushasan, and Odia Asmita – serve as the guiding framework for transformative governance and holistic development. Collectively, these initiatives are



envisioned as stepping stones towards realizing the Government's aspiration of Samruddha Odisha by 2036, in line with the vision of Vikshit Bharat 2047.

4. **Economic and Fiscal outlook:** As per RBI, domestic economic activity remains resilient, supported by strong private and government consumption and fixed investment. An above-normal southwest monsoon, congenial financial conditions, rising capacity utilisation, Central Government's continued thrust on capital expenditure, and GST 2.0 reforms augured well for the growth outlook. Taking into account all these factors, RBI has forecasted real GDP growth of the country at 7 per cent in 2025-26. However, GSDP growth of the State is expected to be 8% in 2025-26 as projected at the time of formulation of Annual Budget, 2025-26. The revenue receipts till September, 2025 have registered a growth of about 2% over the previous years' collection. Total Expenditure (other than Debt Servicing) till September, 2025 is 34% of the 2025- 26 (BE). There is a need to closely monitor the trend of revenue receipts of the State Government in view of the imposition of the US tariffs on imports from India and the GST 2.0 reforms. At the same time, the pace of expenditure needs to be expedited, with particular emphasis on infrastructure spending to sustain growth momentum.

5. **Exercise for re-prioritization of the Budget:** While formulating the Annual Budget, 2025-26, the fiscal deficit was projected at 3.2% of GSDP for financing the Budget. Expenditure relating to livelihood and completion of the ongoing capital projects are to be assessed by the Departments in a holistic manner, so that economic activities in the State will get the required boost. Hence, Supplementary Statement of Expenditure, 2025-26 is proposed to be an exercise for re-prioritization of the Budget in which the Administrative Departments would be allowed to augment the provision in one unit only by locating equivalent savings in some other unit of expenditure which is beyond the scope of re-appropriation. High impact new Capital projects, announcements made by the Government from time-to-time and proposal for enhancing livelihood activities shall be fully funded.

6. **Supplementary proposals based on actual need and spending capacity:** It is observed very often that Supplementary Provisions, under Programme Expenditure, are being made without due care and caution, which result in substantial surrender of funds at the end of the financial year. Such large-scale surrender of Supplementary Provision is being adversely commented upon by the C&AG of India year after year. Therefore, Supplementary proposal should not be prepared in a routine manner; rather it should receive personal attention of the Estimating and Controlling Officer concerned, so that the proposals are based on actual need and should commensurate with the actual spending capacity.

7. **Preparation of supplementary proposals during FY 2025-26:** Keeping in view the above stipulations, Supplementary Schedules under Administrative Expenditure, Programme Expenditure, Disaster Risk Management Funds and Transfers from State need to be furnished in the following manner.



7.1 **Recoupment of Advance from Odisha Contingency Fund (OCF)**

Advances from Odisha Contingency Fund (OCF) sanctioned from time to time are to be recouped in Supplementary Statement of Expenditure. In absence of recoupment, it would not be possible to sanction further advance to meet any urgent requirement. Hence, proposals are to be submitted for recoupment of any outstanding advance from Odisha Contingency Fund (OCF) in the Supplementary Statement of Expenditure, 2025-26. The recoupment orders should particularly be issued by the Administrative Departments concerned based on the actual expenditures incurred in implementation of emergent initiatives and not against the total fund sanctioned as advance out of the corpus of OCF. While submitting schedules for recoupment, the Letter No. and the date of the sanction of OCF advance along with details of Head of Account should be clearly indicated.

7.2 **Provision for Pay and D.A.**

Sufficient provision has already been made for Pay and DA in 2025-26 (BE). Besides additional provision under the Salaries unit shall only be allowed, if the provision becomes inadequate due to filling up of posts or otherwise. Wherever required, it should be met by locating savings from the existing provision for re-allocation.

7.3 **Provision of outstanding House Rent, Electricity Dues, Water Charges and Municipal Dues**

If the Budget provision in respect of House Rent, Electricity Dues, Water Charges and Municipal Dues falls short of the requirement, proposal should be submitted for provision for the differential amount.

7.4 **Regularization of Advance Expenditure incurred by way of Authorization**

In some cases, Engineering Departments have been authorized (under para 3.7.1(b) of the OPWD Code Vol.-I) to go ahead with the works and to incur expenditure in absence of Budget provision. Regularization of such expenditure should be processed indicating savings/ specific source of funding, if any, for Supplementary provision both under Administrative Expenditure and Programme Expenditure, as the case may be.

7.5 **Decretal Dues and Land Acquisition Charges**

(a) Amounts required for compliance of Court decrees in respect of Land Acquisition Cases, which have no scope for appeal should be proposed for inclusion in the Supplementary Budget under the "Charged" section. All proposals for decretal dues should be furnished with sufficient justification with firm decision of the Government to implement the orders of Hon'ble Court.

(b) Normal Land Acquisition charges wherever necessary for projects/ schemes should be proposed under the "Voted" section under the Detailed Heads meant for the project/ scheme.

7.6 **Technical Supplementary:** Requirement of fund to meet the additionalities in needy sectors by locating savings or for accounting adjustment without any additional cash



outgo, if any, should be proposed. For example, transfer of provision from Revenue Account to Capital Account or from Voted to Charged or vice-versa. Accounting adjustment in respect of receipt of External Assistance under direct payment procedure for Externally Aided Projects should also be done in the Supplementary Statement of Expenditure. The EAP Branch of Finance Department will ask the Administrative Departments to submit the proposals to P&C Department.

7.7 Additional requirement under State Sector Schemes funded by State Government

If any new scheme is required for provision of emergent public service, execution of infrastructure projects, generation of livelihood opportunities, etc., the same can be taken up only after appraisal by Expenditure Finance Committee (EFC) / Standing Finance Committee (SFC) following the due procedure as laid down in Finance Department OM No.23373/F. Dt. 19.08.2023 and with specific concurrence of Finance Department for any expenditure under such scheme. For such exigency, the Departments are required to propose for reallocation of provision within the existing ceiling within the similar or same resource head and Demand. Proposals for additional provision in one unit should be matched by equivalent savings within the similar or same resource head and Demand.


7.8 SNA-SPARSH Model for Centrally Sponsored Schemes (CSS)

(i) Government of India has notified 67 CSSs corresponding to around 158 no. of State Linked Schemes (SLS), which are to be onboarded to the SNA SPARSH Model. Till now Payment has been initiated in 22 CSS and expenditure has begun in 61 SLS. There is need for completion of onboarding of remaining 45 CSSs, which will enable us to submit their claims under Part-X of the Scheme for Special Assistance to States for Capital Investment, 2025-26 to the Office of Controller General of Accounts, Ministry of Finance by 31.12.2025. This would also require necessary modification in the Budget line of the concerned Scheme in the Supplementary Budget.

(ii) As per the data available in PFMS, many of the Departments are yet to complete the exercise of deposit of Central share of interest earned in SNA accounts till 31.03.2024 in the Consolidated Fund of India. They need to expedite the process, which would enable Finance Department to submit necessary certificate to the Government of India. They are also required to deposit State share of interest earned in SNA accounts till 31.03.2024 in the State Exchequer under the chart of account "0049-Interest Receipts-04-Interest receipt of State-801-Interest or other earnings from Grantee on unspent balance-0250- Interest on the unspent balance of grants-02245-Interest on Unspent Balance."

7.9 Limitation in cases where expenditure till 30th September, 2025 under a unit is within 40 % of Budget provision

Proposals involving additional requirement under units, where expenditure till 30th September, 2025 is less than 40% of Budget provision, shall not be considered for inclusion under the Supplementary Statement of Expenditure for the year 2025-26.



8. Submission of Budget Proposal and Time Schedule

8.1 The Administrative Departments are requested to formulate the Supplementary proposals expeditiously in accordance with the guidelines indicated above and submit their proposals online to Planning & Convergence (P&C) Department and Finance Department following the procedure detailed at **Annexure-I** as per the time schedule given below:

- a. In case of Administrative Expenditure, the proposals should be submitted online to Finance Department latest by **31st October, 2025**.
- b. Programme Expenditure proposals should be submitted to P&C Department by **31st October, 2025**. P&C Department shall communicate Programme ceiling to Administrative Departments thereafter. The Administrative Departments shall make scheme-wise distribution of the ceiling and submit it to P&C Department subsequently.
- c. Programme Expenditure proposals should be submitted to Finance Department, after concurrence of P&C Department.

8.2 The system will not allow processing of Budget proposals after the due date as mentioned above. Hence, due care should be taken to stick to the stipulated deadlines.

8.3 Any document to be submitted in support of any proposal may be uploaded in BETA or to be sent to the concerned Branch Officer of Finance Department electronically by e-mail. Similarly, any consultation, if required, for finalization of the Budget proposal, may be done either in physical or virtual mode as per convenience.

Administrative Departments are, therefore, requested to instruct all the Controlling Officers under their control to adhere to the guidelines and timelines mentioned in the foregoing paragraphs scrupulously. This circular is also hosted in the website of Finance Department (<https://finance.odisha.gov.in/>) for information of all concerned.

Yours faithfully,


Principal Secretary to Government

Memo No. 29020 /F., Dated: 15/10/2025


Copy forwarded to all Heads of Departments (Controlling Officers)/ Financial Advisors/ Asst. Financial Advisors/ Accounts Officers of all Heads of Departments for information and necessary action.


15.10.2025

Under Secretary to Government

Memo No. 29021 /F., Dated: 15/10/2025

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


15.10.2025

Under Secretary to Government

Memo No. 29022 /F., Dated: 15/10/2025

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


15.10.2025

Under Secretary to Government

Memo No. 29023 /F., Dated: 15/10/2025

Copy forwarded to Private Secretaries to Principal Secretary/ Special Secretaries/ Additional Secretaries, Finance Department for kind information of Principal Secretary/ Special Secretaries/ Additional Secretaries.


15.10.2025

Under Secretary to Government

Memo No. 29024 /F., Dated: 15/10/2025

Copy forwarded to the Additional Secretary, P& C Department for information and necessary action.


15.10.2025

Under Secretary to Government

Memo No. 29025 /F., Dated: 15/10/2025

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/>.


15.10.2025

Under Secretary to Government

PROCESS FOR SUBMISSION OF BUDGET PROPOSAL

(i) The proposal for Administrative Expenditure, Disaster Response Funds and Transfers from State shall be **submitted by the Controlling Officer(s) to the Administrative Department using IFMS platform**. The consolidated proposal of all Controlling Officers of an Administrative Department will be transferred from IFMS to the "Online Budget Compilation System - BETA" seamlessly through web service. **The Administrative Departments after due scrutiny of the consolidated proposal will submit the same to Finance Department using Online Budget Compilation System (URL <http://onlinebudget.gov.in/BETA/>) in Secretariat LAN.**

(ii) Similarly, Programme Expenditure proposals for the Supplementary Statement of Expenditure, 2025-26 shall also be initiated in the Budget preparation module of IFMS. The Controlling Officers are required to submit the proposal to the Administrative Department using IFMS platform. The Controlling Officer shall enter their Programme Expenditure proposals using the chart of account. The existing charts of account/ schemes are linked to the respective heads of development/ resource head. In case of entering new schemes/ chart of account, the Controlling Officers are required to link it to the appropriate heads of development/ resource head by selecting from the list. **The proposals submitted by the Controlling Officers are to be scrutinized by the concerned Administrative Department and the consolidated proposal is to be submitted by the Administrative Department.** The consolidated proposal of all Controlling Officers of an Administrative Department will be transferred from IFMS to the "Online Budget Compilation System" (BETA) seamlessly through web service. The heads of development-wise proposal would be available to the **Planning & Convergence Department** in BETA in the URL <http://onlinebudget.gov.in/BETA/>. Planning & Convergence Department shall allocate ceiling online as per heads of development. The Administrative Departments shall distribute the ceiling online among the development sector schemes which shall be approved by Planning & Convergence Department online. The Administrative Departments, then, would be required to submit the Programme Expenditure proposals in charts of account to Finance Department using Online Budget Compilation System in Secretariat LAN using the URL <http://onlinebudget.gov.in/BETA/>. **The Programme Expenditure proposals are also required to be submitted using the online system of IFMS and Budget application as the default mode.**

(iii) While submitting the proposals for **Supplementary Statement of Expenditure, 2025-26**, the Administrative Departments would be required to identify savings under some units of expenditure to make provision afresh or by way of augmentation in some other units of expenditure through re-allocation. In order to ensure availability of adequate funds equivalent to savings located, the Administrative Departments would have to indicate availability of **funds under a particular unit in IFMS** and block the said savings under that unit until it is utilized through Supplementary linked surrender/ re-appropriation. IFMS will block the allocation identified as savings and not allow any further distribution/ utilization till the process of Supplementary linked surrender and re-appropriation is over.

