



Government of Odisha

BUDGET

2018-19

General Part - II

Presented by

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Minister, Finance

23rd March, 2018

Hon'ble Speaker Sir,

Now, I would take up the **General Budget**.

Highlights of Fiscal Management

2. Under the able leadership of Hon'ble Chief Minister, Odisha is one of the leading States in fiscal management on a consistent basis. There has been no slippage at all in achieving the fiscal parameters prescribed in Odisha Fiscal Responsibility and Budget Management (FRBM) Act, 2005.

3. The fiscal space created has been effectively employed for creation of physical, social and human capital. There is more than eleven-fold increase in outlay of State Plan/ Programme expenditure from **Rs.5,105 crore** in 2007-08 to **Rs.57,800 crore** in 2017-18 budget estimates, over a period of ten years. Similarly, capital outlay has gone up from **Rs.2,843 crore** in 2007-08 to **Rs.20,774 crore** in 2017-18 budget estimates, which is 5 per cent of GSDP. The capital outlay is partly financed through generation of surplus on revenue account and partly through public debt. Hence, like the previous year, we have resorted to market borrowing during 2017-18 for financing the higher capital outlay well within the prudent limit prescribed by 14th Finance Commission.

4. As per the Revised Estimates for 2017-18, there will be a revenue surplus of **Rs.8,873 crore** and the fiscal deficit will be at **3.4** per cent of GSDP. The tax to GSDP ratio is likely to be **6.4** per cent and the year-end debt stock to GSDP ratio would be **18.4** per cent.

Budget Estimates, 2018-19

5. Total Administrative expenditure is estimated at **Rs.50,761 crore** in 2018-19 including **Rs.22,021 crore** for salaries, **Rs.11,912 crore** for pension, **Rs.5,500 crore** for interest payment and **Rs.4,400 crore** for maintenance of capital assets.

6. Total Programme expenditure outlay for the financial year 2018-19 will be **Rs.67,000 crore**. This includes an outlay of **Rs.62,000 crore** for the Government sector and **Rs.5,000 crore** for the Public Sector Undertakings.

7. The outlay for Disaster Response Funds will be **Rs.1,865 crore**. Transfers from State will have an outlay of **Rs.5,402 crore**.

8. Thus, the Budget Estimates for 2018-19 envisage an expenditure of **Rs.1,20,028 crore**. The capital outlay in 2018-19 is **Rs.24,567 crore**, which is about **5.5** per cent of GSDP. Additionally, loans and advances, grants for creation of capital assets and other expenditure for capital formation together account for **Rs.9,090 crore**, which is **2.1** per cent of GSDP. Moreover, for the first time in the history of the State Budget, the **allocation for the Programme Expenditure exceeds half of the total Budgetary outlay**.

Financing the Annual Budget, 2018-19

9. The outlay is proposed to be financed mainly through revenue receipts of **Rs.1,00,200 crore** and borrowing and other receipts of **Rs.19,678 crore**.

10. Total revenue receipts for the year 2018-19 include State's share in Central taxes for **Rs.36,586 crore**, State's Own tax for **Rs.28,550 crore**, Own Non-tax revenue of **Rs.10,300 crore** and grants from Centre for **Rs.24,764 crore**. Thus, the Own Tax/GSDP ratio would be **6.4** per cent in 2018-19.

11. Goods & Services Tax (GST) was implemented in the State from 1st July, 2017 along with Centre and other States. A large number of essential items of mass consumption have either been exempted or have lowest slab rate of 5%. GST on a number of items including on handicrafts has been reduced. Odisha plays an active role in decision making in GST Council. The State is being compensated bi-monthly based on revenue to be protected, which is 14% increase every year over the base of 2015-16. We also successfully re-negotiated with IOCL regarding the fiscal incentives for Paradeep Refinery to secure the VAT revenue from the oil sector including arrear dues. There is a steady growth by and large in tax and non-tax revenue and we do not propose any new taxes in 2018-19.

Key priorities

12. This budget focuses on achieving rapid and inclusive growth through human development, physical and social infrastructure, social safety nets for the disadvantaged and vulnerable sections and empowerment of youth, women, Scheduled Tribes, Scheduled Castes, Other Backward Classes, Minorities, differently-abled, disadvantaged and the senior citizens.

Now I proceed to highlight important interventions for different sectors in this budget.

Education and Skill Development

13. Education and skills form the foundations of human development. We have proposed the largest allocation of **Rs.19,678 crore** for the sector.

14. Improving the quality of our Elementary and Secondary Schools has been our biggest concern. School infrastructure, provision of facilities for children, quality of teaching and involvement of parents and community can bring about a transformation in our School education. We have resolved most of the pending issues relating to remuneration of different categories of teachers in Government and Non-Government Aided Schools involving considerable resources. We hope that they would respond by building a positive learning environment. We have also recruited a large number of teachers. To ensure electrification, kitchen sheds, provision for LPG for cooking mid-day meals, drinking water facilities, toilets, furniture and maintenance of buildings, the services of various Departments will be utilised.

15. I propose to provide **Rs.1,800 crore** for **Sarba Sikhya Abhiyan**, **Rs.808 crore** for **Mid-day Meal Scheme** and **Rs.500 crore** for **Rashtriya Madhyamika Sikshya Abhiyan**. In addition, **Rs.85 crore** is also being provided as State support for the Mid-day meals to meet the cooking cost. I propose to allocate **Rs.309 crore** under the **Gangadhar Meher Sikhya Manakbrudhi Yojana (GMSMY)** for providing free school bags to all children from Class-I to V, free text

books and school uniform including shoes to all children from Class-I to VIII and free bicycles to all students reading in Class-IX of Government and Government aided schools, Sanskrit tols and Madrasas.

16. Our beloved Chief Minister's decision to establish one Odisha Adarsha Vidyalaya in each Block has now resulted in the operationalisation of 160 such schools in the 21 districts of the State and enrolment of more than forty thousand students. We propose to open 30 more Adarsh Vidyalayas during 2018-19 under **Odisha Adarsh Vidyalaya**. I propose to provide **Rs.250 crore** for establishment and running of the schools. We propose to set up a State Level Teacher's Training Institute for which **Rs.6 crore** is being provided in 2018-19. Further, I propose to provide **Rs.3 crore** towards grant to Sainik School at Bhubaneswar.

17. As an incentive to meritorious students, we propose to give award to about 40 thousand successful students under **Mukhyamantri Medha Bruti**. Each successful student will be awarded one time scholarship of the amount of Rs.5000/-. The teachers of three Secondary Schools of a Block with highest results in the 10th examination conducted by the Board of Secondary Education, Odisha will be awarded with cash prize of Rs.1 lakh per school. Besides, the parents of 10 students of a district securing highest mark in the 10th examination shall also be felicitated.

18. For the development of infrastructure of Secondary schools in the State involving the public as well as the old students, **Mo School Abhiyan** has been initiated. The

Government will provide twice the amount donated by any person for various purposes such as science laboratory, library, sports etc. A sum of **Rs.50 crore** has been earmarked as initial support for this purpose.

19. State Institute of Open Schooling (SIOS) has been started in all 30 Districts in **344** centers. About **50 thousand** students have taken admission and about **29 thousand** students have been issued with HSC Pass Certificates. It is expected that **30 thousand** students will take admission in the year 2018-19.

20. Education and Skill Development of SC and ST students is the topmost priority of our beloved Chief Minister. About 5.5 lakh students are being provided education, accommodation, food and other facilities in about 7,300 SC& ST hostels, which is the largest such programme in the Country. **Rs.200 crore** has been proposed for construction of hostels for ST girls and urban hostel complexes. It has been decided to construct **100** hostels for OBC/SEBC for which I propose a sum of **Rs.30 crore** in the Budget.

21. Pre-matric and Post-matric Scholarship are provided to ST, SC, OBC and Minority students. About **17 lakh** students of different categories are in receipt of Pre-matric Scholarship and about **5.4 lakh** students are in receipt of Post-matric Scholarship. Besides, more than **2.5 lakh girl** students are also getting Pre-matric Scholarship under **Odisha Girls' Incentive Programme**. The scholarships are now credited directly to the students' accounts on the DBT

mode by **PRERANA** portal. I propose to provide **Rs.1,375 crore** for the purpose in 2018-19.

22. A sum of **Rs.39 crore** is proposed under **Anwasha**, which is a scheme to provide free quality education inclusive of tuition fees, uniform, books, transportation, food and accommodation to ST and SC students in the best English Medium Schools in urban areas.

23. Quality higher education is essential for building a knowledge society and creating high-quality employment for youth. During the last eighteen years, we have added 10 more State Universities to the existing 6 Universities including the first Womens' University at Rama Devi Women's College, State Open University at Sambalpur and 8 new Model Degree Colleges in Educationally Backward Districts of the State. Besides, 5 private Universities, 3 Deemed Universities and Institutes of National repute like IIT, IIIT, NLU, NISER, IIM, NIT and NIFT have come up in the State to make Odisha an Educational Hub.

24. I propose to provide **Rs.182 crore** for infrastructure development of higher education institutions; **Rs.42 crore** for distribution of laptop, career counseling and coaching for students; and **Rs.53 crore** for scholarship to meritorious students. Required funds are also being provided under **Akankshya**, a scheme which provides for urban hostel complexes for ST and SC youth to continue their higher education.

25. I propose to provide **Rs.200 crore** for the **Rashtriya Uchatara Sikshya Abhiyan (RUSA)** Scheme inclusive of 40

per cent State share. Additionally, a provision of **Rs.23 crore** is being provided for the Technical Education component under RUSA.

26. With the objective to strengthen the higher education system of the State and to transform select Universities and Colleges into Centers of Excellence, we have taken up the “**Odisha Higher Education Programme for Excellence and Equity (OHEPEE)**” with financial assistance from the World Bank. The project cost is estimated at **Rs.1,020 crore** over a period of five years. I propose to provide **Rs.150 crore** for this purpose in 2018-19.

27. Odisha Skill Development Authority has brought about a paradigm shift in skill development. We seek to achieve the aspirational “**Skilled-in-Odisha**” identity among youth as well as potential employers. A sum of **Rs.280 crore** is proposed for infrastructure development of Technological Universities and Engineering Colleges, Engineering Schools and Polytechnics and ITIs. A sum of **Rs.19 crore** will be provided for **Odisha State Self Employment Mission** and **skill development of youth through ITIs**. Grant-in-aid of **Rs.125 crore** will also be provided to the Technical Universities and colleges.

28. Placement Linked Training Programme, Job Fairs, establishment of Skill Development Centres are some of the key activities. From 2014-15, about 8.5 lakh youth have been already covered under **Chief Minister’s Employment Generation Programme (CMEGP)** through various Departments. A programme for skill development training

of 2.5 lakh youth through different Departments has been drawn up for 2018-19.

Health

29. Under the visionary leadership of our Chief Minister, we have achieved a significant reduction in the Infant Mortality Rate. As per National Family Health Survey 4, the State has been able to reduce it from 65 in 2005-06 to 40 in 2015-16, which is now better than national average. **Sishu O Matru Mrityuhara Sampurna Nirakaran Abhiyan (SAMPURNA)** with focus on 15 high burden Districts for accelerated reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) is a strategic intervention. I propose to provide **Rs.52 crore** for the scheme.

30. A wide range of activities for building health infrastructure and services are provided under **Mukhya Mantri Swasthya Seva Mission**. I propose to provide **Rs.700 crore** for the Mission. A provision of **Rs.1,370 crore** has been made for **National Health Mission** for providing ambulance and healthcare services as well as building infrastructure.

31. With a view to meet the demand of doctors in public health system and improve tertiary health care facilities, our Hon'ble Chief Minister took a bold initiative to establish seven new Government Medical Colleges in the State. Two Medical Colleges at Koraput and Baripada have started with the admission of 100 undergraduates each. Two more Medical Colleges and Hospitals at Balasore and Bolangir will also be operational soon. I propose an outlay of **Rs.365 crore** for the establishment of new Medical Colleges

32. A number of initiatives have been taken such as additional posts of doctors, nurses and paramedics, place based incentives for doctors and medical teachers, corpus fund for engagement of contractual doctors. Chemotherapy treatment is being provided in district Headquarter Hospitals through specially trained doctors and nurses to provide cancer treatment free of cost. Radiotherapy services will also be made available at the District level in a phased manner.

33. Free medicines are supplied under '**Niramaya**' for which I propose to increase the allocation to **Rs.304 crore**. Recently, free dialysis services under '**Sahaya**' and free diagnostic services under '**NIDAN**' have also been launched. These measures will considerably reduce the out-of-pocket health expenditure of our people.

34. Menstrual hygiene for school going adolescent girls as well as women and girls of the community is of paramount importance for their dignity, confidence and empowerment. With an objective to ensure menstrual hygiene among the adolescent girls and women, a new scheme "**KHUSHI**" has been launched. Under the scheme, we propose to provide Sanitary Napkins free of cost to girl students from Class-VI to XII of Government and Government-aided Schools in the State and expand social marketing of Sanitary Napkins for women and girls at the community level at subsidised rates. I propose to provide **Rs.50 crore** for the purpose in 2018-19.

35. Our beloved Chief Minister has announced a new **Universal Eye Care Programme** with an outlay of **Rs.682 crore** over a five year period. I propose to provide **Rs.87 crore** for '**Mukyamantri Chakshyu Jatna**' Karyakarm - **SUNETRA** in 2018-19. A new programme '**NIRMAL**' with an outlay of **Rs.70 crore** in 2018-19 will help upgrade standards of various ancilliary services including sanitation, hygiene and security in health institutions. "**Digital Health**" with an outlay of **Rs.10 crore** will successfully build on Nawarangpur pilot. Private participation in health care in 11 backward Districts will be promoted through **Health Care Investment Promotion Policy**.

36. The contours of **National Health Protection Scheme** are still being worked out. Till that time, **RSBY Scheme** will continue. **Employees State Insurance (ESI)** Scheme provides healthcare facilities to about four lakh insured persons. An outlay of about **Rs.71 crore** is provided for the ESI scheme. **Nine Trauma Care Centres** are being established to reduce fatalities in road accidents.

37. You will be happy to know that the total budgetary allocation for Health and Family Welfare Department has been increased to **Rs.6,160 crore** in 2018-19 .

Drinking Water and Sanitation

Hon'ble Speaker Sir,

38. As per the directions of Hon'ble Chief Minister, providing safe drinking water for the people of the State is among the top priorities of our Government. From the modest coverage of about 4 lakh of rural population and

31 lakh of urban population through piped water supply in the year 2000, the Government has taken significant strides to cover 150 lakh of rural and 66 lakh of urban population in the last 17 years. We have embarked upon a plan to increase the coverage of piped water supply to another 10% of rural population during financial year 2018-19.

39. We have also drawn a roadmap for providing piped water supply to citizens in all streets and all wards of 113 Urban Local Bodies, with **546 projects** with an investment of **Rs.591 Crore**. We have already completed 44 projects and the remaining 502 projects are targeted to be completed by March, 2019. With these investments, **1498 km of pipe network** will be created, benefitting over **70 lakh urban population** with access to clean pipe water supply. To ensure testing of water, one State Laboratory and 8 Regional Laboratories have been established on PPP mode, which is first of its kind in the Country.

40. Last year we had launched **Buxi Jagabandhu Assured Water Supply to Habitations (BASUDHA)** scheme commemorating the bi-centenary year of **Paika Bidroha**. I propose an outlay of **Rs.1000 crore** for rural water supply and **Rs.350 crore** for urban water supply in 2018-19 under this programme.

41. A Mega Water Supply Project with estimated project cost of **Rs.489 crore** has been taken up in EPC mode to resolve the water supply problem in Berhampur and 53 adjoining villages through drawal of water from Janivilli Reservoir. To address the water availability for **Rourkela and**

Sundergarh, 2 barrages will be constructed on rivers Koel and Ib.

42. The Central Assistance under **National Rural Drinking Water Programme (NRDWP)** has remained static for the last few years. A sum of **Rs.300 crore** is proposed on an equal sharing basis between Centre and the State under this programme.

43. We are also employing off-Budget resources in addition to budgetary resources in convergence mode for taking up water supply projects. We propose to take up a project for 645 villages in 7 Districts with an estimated cost of **Rs.550 crore** under 4th State Finance Commission funds. All 691 directly affected villages in 8 mineral bearing districts will be covered with piped water supply with an estimated cost of **Rs.450 crore** under **OMBADC** funds. Besides, Mega Piped Water Supply Projects are also proposed to be taken up out of the funds under District Mineral Foundation. Thus, the total investment for **Piped Water Supply Projects** during 2018-19 would be about **Rs.3,000 crore**.

44. Operation and maintenance of drinking water supply systems will be handled by Panchayats and Municipalities through the grants received from 14th Finance Commission and 4th State Finance Commission. At least, 30 per cent of these grants are required to be spent on supply of drinking water. Over and above, I propose to provide about **Rs.509 crore** towards operation and maintenance of water supply systems.

45. From a very low coverage, household toilets in rural areas are almost reaching 50% coverage. I propose to provide about **Rs.1000 crore** for the rural component and **Rs.200 crore** for the urban component of the **Swachh Bharat Mission**.

Housing

46. We are committed to provide a decent roof to all households of the State by 2019. Under the able leadership of our beloved Chief Minister, about 15.5 lakh kutcha houses in the rural areas have already been completed under **Biju Pucca Ghar** and other rural housing schemes. The State and 6 of our districts were awarded by the Government of India for outstanding achievement in implementation of PMAY (Gramin). It is envisaged to complete 20 lakhs pucca houses by the end of December, 2018 thereby moving towards fulfilling one of the major commitments of the Government. We propose to provide **Rs.3,592 crore** through convergence of **PMAY Gramin** and **Biju Pucca Ghar**.

47. The Odisha Land Rights to Slum Dwellers Act, 2017 and the Odisha Municipal Corporation (Amendment) Act, 2017 are two historic Legislation enacted by this August House to grant land/property rights to slum dwellers in the State. With the implementation of the Act, more than 2 lakh slum dwellers residing in about 3000 slums across the State will be given land rights, mostly on in-situ basis. It is also proposed to provide pucca houses to these slum dwellers of EWS category who are vested with land rights. We have launched **Odisha Urban Housing Mission-AWAAS**

in October, 2015 in convergence with PMAY. We propose to provide **Rs.400 crore** for construction of 20,000 dwelling units under beneficiary led construction and 5,000 units under affordable housing and slum development components.

48. We have provided **Rs.3,992 crore** for the Housing Sector in the budget. However, additional houses will also be done under OMBADC, DMF and Nirman Shramik Fund through convergence.

Women and Child Development

Hon'ble Speaker Sir,

49. Hon'ble Chief Minister has given topmost emphasis to the development and empowerment of women and children. More than **31 lakh** beneficiaries have been covered with cash transfer of about **Rs.1,300 crore** under the innovative programme **MAMATA**. Impressed by its success, **Pradhan Mantri Matru Vandana Yojana (PMMVY)** has been announced by the Government of India last year. However, due to several procedural issues, PMMVY has not started functioning yet. Therefore, we will continue to extend the benefit for first two live births under **MAMATA** scheme for which I propose to provide **Rs.155 crore** in 2018-19. Besides, **Rs.89 crore** is proposed for **PMMVY** in the sharing ratio of 60:40 between the Centre and the State.

50. Integrated Child Development Scheme (ICDS) is being implemented with the objective of improving nutritional and health status of children below the age of 6 years as well as pregnant and lactating mothers. We

propose to provide **Rs.2,035 crore** for the scheme which is being financed by the Centre and the State in the ratio of 60:40. About **Rs.62 crore** under **Integrated Child Protection Scheme (ICPS)** and **Rs.102 crore** for **Empowerment of Adolescent Girls** will be provided.

51. I propose to provide **Rs.550 crore** under the scheme **Mukhyamantri Mahila Sashaktikarana Yojana** towards financial assistance to Women Self Help Groups and their federations under **Mission Shakti**. We are also providing additional State support for implementation of **ICDS** for which a provision of **Rs.300 crore** is being made. We also propose to provide uniform for children undergoing Pre-School education under the Scheme **Malatidevi Prak-Vidyalaya Paridhan Yojana** for which a provision of **Rs.40 crore** is being made. We propose to provide **Rs.6 crore** for construction of working women's hostel. Provision of about **Rs.2 crore** will be provided for **Biju Sishu Surakshya Yojana** which aims at providing protection and safety net to children especially those whose parents are affected with HIV- AIDS. Overall **Rs.3447 crore** is proposed in the budget for women and child development.

Rural Employment, Livelihoods and Basic Services

52. Mahatma Gandhi National Rural Employment Guarantee Act provides for livelihood security with at least 100 days of guaranteed wage employment to the rural households. The labour component of the scheme is directly paid to the wage earners through Direct Benefit Transfer. The material component is shared between the Centre and the State in the ratio of 75:25 for which we

propose to provide **Rs.1,283 crore**. The labour component of the scheme is being leveraged by way of convergence for taking up developmental activities like Plantation, Construction of Anganwadi Centres, Rural Housing and Toilets, Improvement of Canal System and Farm Ponds etc.

53. Our beloved Chief Minister has taken a new initiative to establish a direct connect between highest level of administration with the people and enhance participation of people and PRI members in development activities. The programme "**Ama Gaon Ama Bikash**" intends to take up developmental activities based on the feedback of the people on the ground. Hon'ble Chief Minister directly interacts with the people and people's representatives at village and panchayat level through Video Conferencing and need based projects having value between Rs.1 lakh and Rs.10 lakh are sanctioned instantly. I propose an allocation of **Rs.1,250 crore** for the programme.

54. Deen Dayal Antyodaya Yojana–National Rural Livelihood Mission (**DAY-NRLM**) has the mandate to reach out to all poor households, link them to sustainable livelihoods opportunities and nurture them till they come out of poverty and enjoy a decent quality of life. We propose to provide **Rs.400 crore** for the scheme inclusive of 40% State share. A sum of **Rs.100 crore** is provided for the **Shyama Prasad Mukherjee RURBAN Mission** for development of Rurban clusters.

55. Gopabandhu Gramin Yojana is being implemented in all the Districts of the State to provide basic infrastructure

like Bijli, Sadak and Pani. An outlay of **Rs.500 crore** will be provided for the scheme.

56. Transfer to local bodies is done on the basis of recommendations of 14th Finance Commission and the 4th State Finance Commission. We propose to transfer about **Rs.1,991 crore** on the basis of the recommendations of 14th Finance Commission and around **Rs.1,709 crore** on the recommendations of the 4th State Finance Commission, to the Panchayati Raj Institutions of the State. It will enable them to provide basic services to the population in the rural areas.

Development of Scheduled Castes, Scheduled Tribes, Other Backward Castes & Minorities

57. Promotion of Economic and Social Development of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities are at the top of our agenda. I have already discussed several measures for education and skill development of students of these communities.

58. Development of SCs and STs is an integral part of almost all the Schemes of different Departments, especially those relating to education, health, rural employment and livelihoods, skill development, housing and electrification. Overall, a sum of **Rs.12,741 crore** under **Tribal Sub-Component** and **Rs.9,943 crore** under the **SC Sub-Component** is proposed in 2018-19 totaling to **Rs.22,684 crore** for identified Schemes in the Programme Budget.

59. Under the Special Central Assistance for the **Scheduled Castes** Component, a provision of **Rs.83 crore** is being made. Besides, provision of **Rs.322 crore** is being made under the scheme for Development of Scheduled Castes.

60. Government of India provides grants under the first proviso to Article 275(1) of the Constitution to meet the cost of schemes for the welfare of the scheduled tribes in the State. A sum of **Rs.180 crore** will be provided for the purpose. Under the scheme Tribal Sub-plan, a sum of **Rs.114 crore** has been proposed as grant from Government of India. A sum of **Rs.27 crore** will be provided for the **OTELP Plus** Programme and **Rs.88 crore** will be provided under the Externally Aided Project **Odisha PVTGs Empowerment and Livelihood Improvement Programme (OPELIP)** for employment and income generating activities for the tribal population on a sustainable basis.

61. State Government has taken up Solar Energy Based Electrification Programme to cover 450 inaccessible Tribal villages/hamlets and 500 Tribal Schools. So far electrification has already been taken up in 278 Tribal Schools and 246 inaccessible villages. I propose to provide **Rs.20 crore** for the purpose for 2018-19.

Social Security and Development & Empowerment of Persons with Disability

62. Social security of the disadvantaged and vulnerable sections of the society is a strong commitment of our Government. Presently, we are providing social security

pensions to about **43 lakh beneficiaries** in various categories such as Old Age, Widows, Persons with Disabilities and AIDS Victims under different schemes. I propose to provide **Rs.863 crore** for **National Social Assistance Programme (NSAP)** on usual cost sharing basis. We are also providing pension to additional beneficiaries and other benefits from our own resources under the **Madhubabu Pension Yojana** for which I propose to provide **Rs.1486 crore** for 2018-19.

63. With the objective to give better opportunity to persons with disability in Government and Public Sector jobs, we have increased their reservation from **3% to 4%**. I also propose to provide about **Rs.80 crore** for **Welfare of Persons with Disability (PwD)** which includes **Rs.20 crore** under **Bhima Bhoi Bhinnakhyama Samarthya Abhiyan** for identification, certification and distribution of aids and appliances through single-window camps; **Rs.26 crore** for their rehabilitation; and **Rs.8 crore** for hostel facilities to disabled girl students pursuing higher education. Under the National Programme for Persons with Disability, a provision of **Rs.20 crore** is proposed for 2018-19.

64. I propose to provide **Rs.50 crore** for welfare of distressed and destitute, which include provision of **Rs.36 crore** for establishment of Old-Age Home in different districts, **Rs.2.5 crore** for programmes and activities for Senior Citizens. Provisions have also been made for Transgenders and other vulnerable groups. For rehabilitation of Beggars, a new scheme named **"SAHAYA"** has been launched and 660 Beggars have been identified so far under the scheme for vocational training. A sum of

Rs.5 crore has been provided for rehabilitation of de-addicts. An amount of **Rs.7 crore** is provided for rescue and rehabilitation of exploited migrant workers.

Overall, the allocation for this sector is proposed to increase by **28%** to **Rs.2,562 crore**.

Food Security

65. Food security has now become legal entitlement for the poor and vulnerable under National Food Security Act (NFSA). However, going beyond legal entitlement, as per the direction of our beloved Chief Minister, we would continue to supply rice at a further subsidised rate of Rs.1/- per kg to each Priority House Hold (PHH) beneficiary and other beneficiaries like boarders of Government SC/ST hostels. I propose to provide **Rs.902 crore** for the purpose. Besides, I propose to provide **Rs.148 crore**, as 50% State contribution, for dealers' margin of FPS, intra-State movement and handling of food grains. Automation of fair price shops will also be expedited to ensure complete transparency.

Urban Development

66. I have already discussed the housing, drinking water and sanitation initiatives for urban areas earlier. For development of urban infrastructure, **Urban Transformation Initiative (UNNATI)** has been launched by the State Government. I propose to provide **Rs.400 crore** for the scheme.

67. Bhubaneswar and Rourkela are the two cities of our State included in the “**Smart Cities Mission**”. I propose to provide **Rs.400 crore** for the Smart Cities Mission. Nine urban agglomerations of our State included under the **Atal Mission for Rejuvenation and Urban Transformation (AMRUT)** will be provided with **Rs.250 crore** in 2018-19. Under **National Urban Livelihood Mission**, a sum of **Rs.47 crore** has been proposed.

68. Bhubaneswar would be the proud organizer of the Men’s Hockey World Cup in later part of 2018. We propose to upgrade the public transport system of Bhubaneswar on a PPP mode with an allocation of **Rs.125 crore**.

69. The ongoing Japan International Co-operation Agency (JICA) assistance for improvement of sewerage system in Bhubaneswar and Cuttack is proceeding well. I propose to provide **Rs.300 crore** for the project. Assistance from KfW, Germany would be obtained and channelized through Odisha Urban Infrastructure Development Fund for implementation of urban infrastructure projects. I propose to provide **Rs.109 crore** for the scheme.

70. Based on the recommendations of 14th Finance Commission and the 4th State Finance Commission, **Rs.404 crore** and **Rs.1,197 crore** respectively will be transferred to the Urban Local Bodies of the State. It will enable them to provide basic civic services to the urban population.

71. The outlay for Housing and Urban Development Department has been stepped up to **Rs.5,162 crore**.

Energy

72. Under the leadership of our beloved Chief Minister, we are committed to provide electricity to all households of the State by December, 2018. The consumer base has increased from 16 lakh in the year 2000 to **68 lakh** in 2017. So far, **47,655** villages of the State have been electrified out of 47,677 inhabited census villages and the remaining villages would be electrified within the target date. A comprehensive strategy has been developed by the Government to strengthen the generation, transmission and distribution infrastructure.

73. In order to provide 24x7 electricity supply with proper voltage, we have taken up a massive investment of about **Rs.4000 crore** for establishment of about 473 nos of 33/11 KV Sub Stations under **Odisha Distribution System Strengthening Project (ODSSP)** over a period of 4 years starting from 2014-15. We have already completed 180 new 33/11 KV Sub-stations. The balance projects will be completed in 2018-19. I propose to make a provision of **Rs.530 crore**.

74. In order to ensure **Electricity for All**, a sum of **Rs.560 crore** is proposed under **Biju Gram Jyoti Yojana, Biju Saharanchal Vidyutikaran Yojana** and the State share of **SAUBHAGYA, DDUGJY** and **RGGVY**.

75. The State has been promoting energy efficiency for last six years in Government Offices and street lighting through use of energy efficient lighting systems. However, in order to derive greater benefit, there is a need for generating awareness among the masses. With this

objective, we propose to introduce a **new scheme "Ama Ghare LED Light" Karyakram** in which each poor household will be provided with 4 LED bulbs free of cost. I propose an allocation of **Rs.125 crore** for the new scheme.

76. State Capital Region Improvement of Power System (SCRIPS) is under implementation for Bhubaneswar and Cuttack Urban Complex with an objective to provide 24X7 uninterrupted stable power supply. I propose a sum of **Rs.125 crore** for this purpose. Under **Integrated Power Development Scheme (IPDS)**, **Rs.100 crore** will be provided in 2018-19 for strengthening the Sub-Transmission and Distribution Network.

77. It is also proposed to provide **Rs.341 crore** as Equity Support to PSUs for various projects including **Rs.192 crore** towards Equity contribution for OPGC Unit-3&4 power stations. Considering the importance of green energy, Government has recently announced **Odisha Renewable Energy Policy** and establishment of **Odisha Renewable Energy Development Fund**. I propose to provide **Rs.59 crore** for the purpose.

Roads, Railways and Transport

78. Road connectivity is the primary means of communication and essential for a modern economy. Hon'ble Chief Minister has recently inaugurated Rourkela-Sambalpur stretch of **BIJU EXPRESSWAY** successfully executed through PPP mode. I am also happy to inform the House that amidst a number of hurdles, Gurupriya Setu over the Janbai reservoir in Malkangiri District will be

completed soon. It will provide all weather connectivity to inaccessible areas of Malkangiri District.

79. I propose to provide a sum of **Rs.4,265 crore** to the Works Department for improvement of about 1175 Kms of roads and construction of about 40 bridges and 5 Railway Over Bridges. It also includes **Rs.350 crore** for Double Lining of State Highways under **State Highway Development Programme (SHDP)**; **Rs.80 crore** for road Projects under PPP mode; **Rs.100 crore** for **Biju Expressway** to improve connectivity in Western Odisha and KBK Districts; **Rs.400 crore** for **Central Road Fund** projects. A provision of **Rs.714 crore** has also been made for maintenance.

80. In respect of rural roads under **Pradhan Mantri Gram Sadak Yojana (PMGSY)**, our State stood second in the country in 2016-17. In the current year also, the State has already completed construction of 5,000 km of roads. I propose a sum of **Rs.2,900 crore** under this programme in 2018-19. To ensure connectivity to the habitations which are not eligible under PMGSY, a sum of **Rs.400 crore** will be provided under **Mukhya Mantri Sadak Yojana** for construction of **850 Kms** of rural roads. For completion of 313 nos. of bridges, **Rs.600 crore** has been proposed under **Biju Setu Yojana**. **Rs.125 crore** has been provided for improvement of arterial roads in KBK Districts. In addition, **Rs.375 crore** will be earmarked for periodical maintenance of roads constructed under PMGSY.

81. To provide road connectivity to 142 remotest and inaccessible villages of 17 Left Wing Extremist (LWE) affected districts, a Scheme **Connecting the Unconnected**

Villages was launched. This scheme will now be implemented by Rural Development Department. I propose to provide **Rs.100 crore** for the scheme. In addition, construction of concrete roads in villages will also continue under **Gopabandhu Grameen Yojana** and urban roads will be taken up under **UNNATI** through Housing & Urban Development Department. Panchayati Raj Institutions and Urban Local Bodies will also take up local road projects as per the need from the Finance Commission grants.

82. The State Government is emphasizing rapid development of Railway infrastructure. An all-time high outlay of **Rs.400 crore** has been proposed for development of Railway projects in the State. This amount will be provided towards State contribution for Khurda- Bolangir, Nabarangpur- Jeypore and Jeypore- Malkanagiri new Railway line Projects. Government has also decided to infuse 26% equity in commercially viable railway projects in the State to give a boost to the completion of projects of strategic importance through SPVs. Over the last four years, **Rs.307 crore** has been provided. A sum of **Rs.20 crore** has been proposed for this purpose in 2018-19.

83. A sum of **Rs.100 crore** is provided for construction of air strips to enhance air connectivity. Under, **Regional Connectivity Scheme (RCS)-UDAN**, we have taken proactive step for development of Jharsuguda, Utkela and Jeypore Airstrip in 1st phase.

84. I propose to provide **Rs.30 crore** for modernisation of regulatory infrastructure of Transport Department. Required

funds have also been provided for Bus Terminal scheme, **Biju Gaon Gadi Yojana** as well as **Road Safety** activities.

Internal Security and Administration of Justice

85. A sum of **Rs.5,274 crore** has been provided for internal security and administration of justice. Out of this, the Programme Expenditure of **Rs.1,036 crore** includes construction of buildings for courts, police, fire services, jails, residential buildings and barracks, police modernization as well as equipment. Need-based new courts, police and fire stations will be sanctioned. Urban policing including traffic police will be given priority. Necessary funds have been provided for completion of buildings for storage of election related equipment such as EVMs and VVPATs.

Handlooms, Handicrafts and Industries

86. Handlooms & Handicrafts are important traditional Cottage Industries of Odisha. These provide largest employment base next only to the Agriculture Sector. I propose an outlay of **Rs.190 crore** for handlooms, handicrafts, sericulture and textile sector for improving designs, enhancing productivity, assisting with marketing support and credit linkage, building capacity of weavers and artisans and providing social security. The outlay includes **Rs.20 crore** for recently announced **Odisha Handlooms & Handicrafts Development and Promotion Council** and **Rs.1 crore** for rewarding the weavers under **Baristha Bunakar Sahayata Yojana**.

87. Micro, Small and Medium Enterprise (MSME) sector has been contributing significantly to the economy and

playing a major role in employment generation in the State. I propose to allocate **Rs.212 crore** for the sector, which is an increase of **45 per cent** over the current year. The MSME industrial parks will be taken up at selected locations based on demand. The incentives offered in **MSME Policy** and other sectoral policies would boost the MSME sector. A sum of **Rs.5 crore** is also provided for support under **Odisha Start-up Policy**.

88. Odisha has emerged as a 'Leader' in Ease of Doing Business in India and is consistently ranked amongst the top 3 States in terms of attracting live manufacturing investments in the Country. The State has recently introduced **GO SWIFT** portal for industries providing required services and support to investors during the entire investment life-cycle in a time-bound, paper-less and transparent manner. I propose to increase the allocation to the sector to **Rs.312 crore**.

89. Integrated Mines, Mineral & Management System (i3MS) is an important system, appreciated by the Government of India, which enables royalty and DMF payments and monitoring of mining transportation online on real time basis. I propose to allocate **Rs.114 crore** for the Mining Sector including **Rs.31 crore** for **i3MS** and **Rs.18 crore** for **Mineral Exploration & Auction**.

Forest & Environment

90. As per India State of Forest Report, 2015 of Forest Survey of India, there has been an increase of forest cover in Odisha by 1451 sq km in the last five years. This success is attributed to intensive efforts for conservation of forests,

and increased community participation in protection and regeneration of degraded forests. Filling up of vacant posts in Forest & Environment Department will provide further impetus to the enforcement and development activities.

91. We have realized about **Rs.5,900 crore** in the State CAMPA Fund, which is the highest in the country. A portion of this fund is utilized every year through Annual Plan of Operation by the State CAMPA. About two thousand hectares of compensatory afforestation will be taken up in 2018-19 under this scheme. Besides, **Rs.45 crore** is provided in 2018-19 for the Scheme **Increasing Green Cover in State** for afforestation and maintenance of plantation and **Rs.52 crore** is proposed for implementation of a Project with JICA assistance known as **Odisha Forestry Sector Development Project Phase-II**. A sum of **Rs.22 crore** is proposed for Wildlife Protection and Conservation measures and **Rs.11 crore** for Conservation and Management of Wetland. **Rs.20 crore** is proposed for **Ama Jungle Yojana** for bringing more and more forest area under Joint Forest Management providing livelihood support for having active participation of forest fringed villagers.

92. Mahanadi is the lifeline of Odisha. In order to enhance water availability and to improve livelihood, the river Mahanadi needs to be protected. With this objective, a new scheme "**Green Mahanadi Mission**" is being launched with massive participation of people's representatives and all stake holders. I propose to provide **Rs.30 crore** for the scheme for 2018-19 in addition to convergence under MGNREGA.

Tourism Development

93. Odisha Tourism Policy, 2016 seeks to attract investors to build tourism infrastructure and promote Odisha Tourism with a focus on Buddhist Tourism and Eco-Tourism. Regular international flights are now operating between Bhubaneswar and South East Asian cities of Kuala Lumpur and Bangkok. **Shamuka Tourism Development Corporation** has been established for speedy implementation of Shamuka Beach Project. During the current year, a number of important events such as Kalinga International Buddhist Enclave, Odisha Travel Bazar and Annual Convention of Indian Association of Tour Operators have been held. It is proposed to provide **Rs.213 crore** for promotion and development of Tourism sector in 2018-19, which includes a provision of **Rs.11 crore** for **Baristha Nagarika Tirtha Yatra Yojana**. A Sand Art Museum will be established at Puri as a part of tourist infrastructure with initial allocation of **Rs.2 crore**. I propose an allocation of **Rs.5 crore** for “**Kalinga Institute of Peace and Conflict Resolution**”.

Odia Language, Culture and Heritage

Hon'ble Speaker Sir,

94. In 1936, Odisha became the first Indian State organized on **linguistic basis**. During the year 2014, Odia language got the prestigious “**classical language**” status. These are proud moments for all Odia speaking population. In this context, I would like to quote Bhakta Kabi Madhusudan Rao

“ମାତୃଭୂମି ମାତୃଭାଷା
ଉତ୍ତମେ ଜନନୀ
ସେବି ତାଙ୍କୁ ଭକ୍ତି ଭରେ
ଦିବସ ରଜନୀ ।”

95. A Cabinet meeting was held first time in history outside the State capital at Puri on 26th December, 2017. Various decisions regarding promotion of Odia Language and Culture were taken in this historic meeting. A new Department has been created as “**Odia Language, Literature and Culture Department**” and a Heritage Cabinet has been set up. A separate Demand has been assigned to the Department for providing it operational freedom and efficiency.

96. A **World conference on Odia language** would be organized once every five years. We propose to organize first such conference in the next year for which a provision of **Rs.1 crore** is proposed. **Odia Language Commission** will also be set up for spread and preservation of Odia language. Fees for studying Odia at the graduate and post-graduate level in Government colleges and universities will be waived. The criteria for getting **Byasakabi Fakir Mohan scholarship** for students would be relaxed. Talented students securing high marks in Odia at plus two and plus three levels will now be eligible for the scholarship. More incentives will be given for research in Odia language and literature on the pattern of University Grants Commission. **Odia Virtual Academy** will digitize Odia literature and books and make it available online. I propose an allocation of **Rs.1 crore** for **birthday celebration**

of **Atibadi Jagannath Das** and renovation of Kapileswarapur and Satalahadi Matha.

97. Artists of our State are at the centre stage of our rich heritage and culture. Hon'ble Chief Minister has announced "**Mukhyamantri Kalakara Sahayata Yojana**" for payment of pension to women artists above 45 years age and male artists above 60 years of age at the rate of Rs.1200 per month. 50 thousand beneficiaries would be covered under the Scheme. I propose to provide **Rs.60 crore** for the purpose in 2018-19. The number of Bhagabat tungis as well as the financial assistance to them will be doubled.

98. **Rs.10 crore** is being provided for **Kala Mandal** and **Rs.5 crore** for development and renovation of Auditorium and **Kala Mandaps** in 2018-19. Public libraries will be established in each district in a phase-wise manner.

Sports and Youth Services

99. Odisha is now recognized as a global sports hub. From building sports infrastructure in a time-bound manner to flawless organizational capabilities, we have made a mark. Successful conduct of 22nd Asian Athletic meet in July, 2017 in a record time of 90 days, World Hockey League, Indian Super League Football matches are a testimony to our capability and commitment. We will also support holding of Davis Cup Tennis events in Bhubaneswar. It would be a proud moment for Odisha when we organize the 2018 Men's Hockey World Cup at the Kalinga Stadium, Bhubaneswar. This would be a challenge as well as an opportunity for us. Requisite funds

are being provided for organization of the event, development of Kalinga Stadium and upgradation of security infrastructure and urban transport System.

100. Due to efforts of our visionary Chief Minister, Odisha became the first State in the Country to ink a historic partnership with Hockey India to sponsor all National Hockey teams - Junior and Senior, Men and Women for a period of 5 years.

101. I propose to allocate **Rs.100 crore** for Sports with Aim for International Acclaim – **SWARNA** for development and management of sports infrastructure at the grassroots level. Besides, **Rs.12 crore** is proposed for improvement of Sports facilities at Rourkela, Sambalpur, Berhampur and Cuttack. **Sun and Sand Marathon** will be organized at Konark for which **Rs.15 crore** is provided. Odisha is the first State in the country to organize “**Tribal Sports**” with an objective to identify the hidden sporting talents of tribal youth and provide them proper platform for participation in the State & National level competitions.

102. We intend to prioritize and scale up youth-led social action and community engagement activities envisaged under the Youth Policy by reaching out to the youth. The flagship scheme ‘**Biju Yuva Sashaktikaran Yojna**’ and its new sub-scheme ‘**Biju Yuva Vahini**’ envisage nurturing leadership and volunteerism, promoting culture of sports & sportsmanship, healthy living among youth, establishing vibrant youth connect platforms and engaging with youth across the State. I propose to provide **Rs.103 crore** for the purpose. The total outlays for the Sports and Youth Services

Department has been enhanced from **Rs.149 crore** in 2017-18 to **Rs.341 crore** in 2018-19, an increase of about 130 per cent.

Science, Electronics & Information Technology

103. An outlay of **Rs.55 crore** has been provided for Science & Technology Department in 2018-19, out of which **Rs.20 crore** is for **Roof Top Solar Power Plants in Government buildings** and for establishment of Solar **Power based Drinking Water Projects**. Information Technology is a key instrument for SMART governance. An outlay of **Rs.113 crore** is proposed in 2018-19 for Electronics & Information Technology Department, of which **Rs.20 crore** and **Rs.11 crore** will be for **State Wide Area Network (SWAN)** and the **State Data Centre** respectively. A provision of **Rs.13 crore** has been made for **establishment of Software Technology Park of India** and **Rs.14 crore** for IIIT, Bhubaneswar.

Disaster Management

104. Odisha is prone to natural calamities. Over the years, we have built up our capabilities for disaster preparedness and management which have been well recognized even at the global level. I propose to provide **Rs.2,090 crore** for Disaster Management including **Rs.865 crore** under **State Disaster Response Fund (SDRF)** and **Rs.1,000 crore** under National Disaster Response Fund (NDRF) respectively. A sum of **Rs.150 crore** is provided for World Bank assisted **Odisha Disaster Recovery Project (ODRP)** for reconstruction of damaged houses and allied infrastructure such as internal roads, water supply and sanitation in Ganjam, Puri

and Khurda Districts. **Rs.69 crore** has been provided for **National Cyclone Risk Mitigation Programme (NCRMP)**.

Land Administration

105. Revenue and registration administration plays an important role in providing a range of services including land records, settlement of land, land acquisition, registration and stamp duties, issue of different types of certificates and management of minor minerals. A sum of **Rs.1,074 crore** is being provided in 2018-19, which includes **Rs.154 crore** for construction of RI offices and residences, digitization of records, IT hardware and connectivity, protection of Government land and strengthening enforcement systems for minor minerals.

Planning and Convergence

106. I propose an overall outlay of **Rs.935 crore** in 2018-19 for Planning & Convergence Department. An outlay of **Rs.147 crore** is being provided towards **MLALAD** Fund; **Rs.176 crore** for **Special Development Councils** in 9 Tribal Dominated Districts; **Rs.120 crore** under **Biju KBK Yojana**; and **Rs.109 crore** for **Special Development Programme** in the districts. In order to remove regional imbalance a sum of **Rs.80 crore** is proposed towards **Grants to Western Odisha Development Council**. Under the State PPP policy **Rs.40 crore** is proposed for **State Viability Gap Fund** with a view to encourage participation of private partners in Infrastructure Development. Further, **Rs.42 crore** is being proposed for **Critical Gap Fund** to address local needs in critical sectors at the district level. An amount of **Rs.40 crore** is provided under **Special Problem Fund** to take up small

and essential projects in a locality having urgent need and **Rs.29 crore** is provided for **Biju Kandhamala O Gajapati Yojana**.

107. District Mineral Fund and **Odisha Mineral Bearing Area Development Corporation (OMBADC)** funds can provide a big impetus to development in mineral bearing districts. Following the orders of the Apex Court, about Rs.12,000 crore have been received in the public account of OMBADC. Planning & Convergence Department has put in place coordination mechanism to prepare well-structured medium-term plan on a convergence mode to prevent overlapping and achieve optimum utilisation of resources. Other extra-budgetary sources include **Compensatory Afforestation Fund Management and Planning Authority (CAMPA)** Fund, Building & Other Construction Workers Welfare Board Fund and **Odisha State Agricultural Marketing Board (OSAM Board)** Fund.

Financial Management reforms

108. We have taken a number of initiatives for improvement of the public financial management system. I would highlight a few such initiatives :

(a) Integration of SBI e-Pay with IFMS: Odisha IFMS has been integrated with SBI e-Pay to provide payment gateway service for facilitating Online and Offline payment of Taxes in Odisha Treasury Portal. This new initiative facilitates payment through debit and credit card and internet banking of all major banks. Multi-account settlement promotes e-payment and ease of doing

business for people dealing with various Departments such as Revenue, Transport, Industries, Steel & Mines.

(b) Integrated Financial Management System (IFMS 2.0):

Odisha is one of the leading states in implementation of IFMS for automation of treasuries and for electronic receipts and disbursements. This system will be further upgraded so that the entire chain of financial transaction from Drawing and Disbursing Officer to Accountant General becomes digital and paperless with the implementation of **e-Praman** and **e-Signature**. Integration with PFMS will be further strengthened.

(c) "ARPAN" portal for online revision of pension: We have launched "ARPAN" portal for online revision of pension. This intervention will provide hassle free service to the pensioners.

Hon'ble Speaker Sir,

The developmental challenges before us are manifold. Under the visionary leadership of Hon'ble Chief Minister Shri Naveen Patnaik, we have tried to address the competing priorities across different sectors within the resource envelop in an optimal manner. I hope that this budget is a reflection of our commitment. With this hope, I dedicate this budget to the people of Odisha.

Vande Utkal Janani

Jai Hind