



GOVERNMENT OF ODISHA

Speech of
Shri Shashi Bhusan Behera

Minister, Finance

in the
Odisha Legislative Assembly
on the occasion of presentation of

the Vote on Account
for the
Financial Year 2019-20

7th February, 2019

Hon'ble Speaker Sir,

It is my honour and privilege to present the Vote-on-Account Budget for the year 2019-20 in this August House. At the outset, I express my sincere thanks to all the Hon'ble Members for their wholehearted support and co-operation.

2. Odisha's economy is expected to grow at the rate of 8.35 per cent in 2018-19 surpassing all India growth rate of 7.2 per cent. This comes on top of a robust average growth of more than 8 per cent in last six years compared to national average of about 7.1 per cent. Going by the trends in the external and domestic economic environment, the State economy can be expected to grow in the range of **8 per cent to 8.5 per cent** during 2019-20.

3. Under the visionary leadership of our Hon'ble Chief Minister Shri Naveen Patnaik, Odisha has been following the development model of inclusive growth. Rapid economic growth is an important goal for us; but equally important is to ensure that benefits of growth are widely shared. The development in the State has been accompanied by faster reduction in poverty and regional disparity. Increased participation of the vulnerable and

disadvantaged communities in the growth process has improved their lives and livelihood.

4. Investment in both social and economic sectors is the key driver for swift, sustainable and inclusive growth in an economy. Our strategy is focused on boosting agriculture production & productivity; expanding irrigation; improving health care, education and skills for our people; investing in youth; and providing safe drinking water, sanitation, better livelihood opportunities, social security, electricity and rural connectivity to our people. The State has made substantial investment in physical infrastructure to attract manufacturing and service industries especially in MSME sector. Besides, we have focussed on good governance through **3Ts – Teamwork, Transparency & Technology** so that the services are efficiently and effectively delivered to the beneficiaries. No doubt we have achieved considerable success in this regard.

5. Higher investment in economic and social sector needs higher investible resources within the constraints of FRBM Act. The State's own revenue as percentage of GSDP has almost doubled during last eighteen years. The State has been continuously achieving revenue surplus since 2005-06 and the entire borrowing is utilized for capital

expenditure. Through revenue enhancement and expenditure rationalization, enough fiscal space has been created for higher capital outlay. Despite our good performance in many areas, it is to be noted that our resources are limited but our requirements and aspirations are high. The State's progress depends on higher mobilization of resources and its efficient utilization.

6. Keeping in view various needs and aspirations of the people, our popular Government under the dynamic leadership of Hon'ble Chief Minister has taken several measures for all sections of our Society, especially the poor and the vulnerable.

Focus on farmers and farmers' welfare:

The sharpest decline in poverty levels in the country has happened in Odisha. Nearly 8 million people have been lifted out of poverty in less than a decade. Over 60% of our population is dependent on agriculture. Bagging a record 5 Krishi Karman Awards, we are the only State in the country to have doubled farmers' income in real terms. In 2014, we promised additional 10 lakh hectares of irrigation and we are almost there. This target will be met by April, 2019.

To further accelerate agricultural growth in the State and to reduce poverty, the State has introduced the historic “**Krushak Assistance for Livelihood and Income Augmentation**” – **KALIA** Scheme. ସ୍ୱଭାବ କବି ଗଙ୍ଗାଧର ମେହେର କୃଷିର ପ୍ରଶଂସା କରି ଗାଲ ଉଠିଛନ୍ତି “କୃଷି କଲେ ଉନ୍ନତ ସକଳ ଉନ୍ନତି । କୃଷି ବିନା ନା କଳ୍ପା ନା ପଲ୍ଲୀ କାହିଁ ବା ଅନ୍ୟ ଗତି ହେ।”

An assistance of **Rs.25,000** per family of small and marginal farmer shall be given over 5 agricultural seasons under the first component of the scheme, which has already been rolled out. The assistance has been aligned to two agricultural seasons of Kharif and Rabi and shall be provided on Akhaya Trutiya and Nua Khai days, every year.

This Scheme is a commitment of State Government to provide financial support to more than 50 lakh farmer families. The scheme also covers share croppers and agricultural landless labourers, covering almost 92% of families dependent on agriculture. Further, we announce Kalia Scholarship to assist children of Kalia beneficiaries to pursue professional courses such as medical, engineering, agriculture, nursing and other technical courses in Government colleges. In our Hon’ble Chief Minister’s word

“ଆପଣମାନଙ୍କ ପିଲାମାନଙ୍କୁ ଭଲ ପାଠ ପଢ଼ାନ୍ତୁ । ସେମାନଙ୍କ ଉଚିତ ଶିକ୍ଷାର ଦାୟିତ୍ଵ ରାଜ୍ୟ ସରକାରଙ୍କର।”

It will usher in rural prosperity by way of infusing more than Rs.10,000 crore directly in the agricultural economy.

Food Security

With an objective of providing food security to each and every needy person in our State, we have introduced own fully funded “**State Food Security Scheme**” (SFSS), wherein more than 23 lakh additional beneficiaries have been enrolled and they are being provided 5 Kg of rice per month per beneficiary at the rate of Rs.1 per Kg. The Scheme was introduced as Government of India declined to cover many deserving eligible households under NFSA. The State Government has made a provision of **Rs.1028 crore** for supply of rice at the rate of Rs.1 per Kg. ଏହି କାର୍ଯ୍ୟକ୍ରମ ଆରମ୍ଭରେ ଆମର ପ୍ରିୟ ମୁଖ୍ୟମନ୍ତ୍ରୀ ହିତାଧିକାରୀ ମାନଙ୍କୁ ପ୍ରତିଶ୍ରୁତି ଦେଇ କହିଥିଲେ ଜଣେ ବି ଗରିବ ଲୋକକୁ ଖାଦ୍ୟ ସୁରକ୍ଷାରୁ ବଞ୍ଚିତ ହେବାକୁ ମୁଁ ଦେବି ନାହିଁ । ମୁଖ୍ୟମନ୍ତ୍ରୀଙ୍କର ଏହି ନିର୍ଦ୍ଦେଶକୁ ଦୃଷ୍ଟିରେ ରଖି ପ୍ରଶାସନ ଏ ଦିଗରେ ନିଷ୍ଠାର ସହ କାର୍ଯ୍ୟ କରୁଛି ।

Social Security Measures

ଗୁରୁତ୍ତମ ମାନଙ୍କର ସେବା ଓ ଅସହାୟ ମାନଙ୍କର ଯତ୍ନ ନେବା ଆମର ମହାନ ପରମ୍ପରା । Our Government has been sensitive to the needs of all vulnerable sections of society and has taken steps to provide Social Security Pensions to universalise the “**Madhu Babu Pension Yojana**”, which now covers more than 48 lakh persons. Though, Government of India provides only Rs. 200/- per month for 20 lakh beneficiaries, our Hon’ble Chief Minister, Shri Naveen Patnaik has decided to give **Rs.500/- per month** to all the beneficiaries and **Rs.700 per month** for beneficiaries of the age of 80 years and above.

“**AAHAAR**” Scheme, which provides for affordable, hygienic and nutritious hot cooked meals to the needy people at **118 AAHAAR Kendras** in urban areas of 30 Districts, will continue and from 31st December, 2018 meals are now also being served during night in 56 AAHAAR Kendras located near hospitals. Our Government is also continuing to provide support to poor and needy people for observing last rites of their relatives under “**Haris Chandra Sahayata Yojana**” by providing **Rs.2000** in **rural areas** and **Rs.3000** in **urban areas** through GPs / ULBs in case of any death.

Health care for all

Universal health is a dream of our beloved Chief Minister and through “**Biju Swasthya Kalyan Yojana**”, integrated assured and free health services are available to all the people of State through public health facilities from PHC to Medical Colleges. Further, while Government of India’s Ayushman Bharat scheme provides for Rs. 5 lakh coverage, our Government under BSKY is providing **Rs.7 lakh** for women beneficiaries.

Our Government has established 4 new Government Medical Colleges in addition to increasing the seats in existing 3 Government Medical Colleges. Another 5 new Government Medical Colleges are coming up at various locations in the State.

Empowering women

Under Mission Shakti, State Government’s flagship programme for empowerment of women, we have created nearly 3 lakh new Self Help Groups, who have been provided Rs.15,000 as seed money to start various activities. Further, an amount of Rs.25 lakh has been given as revolving fund to the block federations of SHGs. In order

to empower the women's groups digitally, **Rs.3,000** is being given to SHGs to purchase a **smart phone** of their choice from the market. Our SHGs will now get "**Mission Shakti Loans**" at zero percent interest. We have planned a "**Mission Shakti Gruha**" in every Panchayat under "**Ama Gaon Ama Bikash**" programme for the SHG members.

Under "**Mamata**", the State Government's flagship conditional cash transfer scheme for pregnant and nursing mothers, the coverage increased to **35.69 lakh** with expenditure reaching about **Rs.1655 crore**.

Tribal Development

State Government shall continue to ensure that every tribal child gets the best possible education which shall prepare them to face the challenges of life and be successful. Considering the role of education in social development, State Government has established around 4300 residential Schools, and over 6400 Hostels wherein about 6 lakh ST & SC students are provided free boarding and lodging facilities. The entire cost of Pre-matric stipend for the ST&SC student boarders, is borne by the State Government.

Investment in Youth

Under “**Biju Yuva Vahini**” programme, which envisages nurturing leadership and volunteerism, promoting culture of sports & sportsmanship, healthy living among youth, establishing vibrant youth connect platform, we have formed **7426** Biju Yuva Vahini with around **2,60,000** registered volunteers. They have shown exemplary courage and commitment during cyclone ‘Titli’ and are also playing an important role in plantation drives, awareness campaigns against drugs and promoting volunteerism.

Education

In line with our objective to provide one Odisha Adarsha Vidyalaya in each block of the State to provide the opportunity of quality English Medium Education to the students in rural areas, **190 Odisha Adarsha Vidyalayas** have been opened in 28 Districts. Free Text Books and School uniforms to students of Class-1 to 8 and free bicycles to students of Class-9 are being provided. In addition to pre and post Matric Scholarships/stipends, State Government has introduced 3 new awards, namely **Mukhya Mantri Medha Bruti, Odia Bhasa Bruti** and **Best School Award based on performance of students**. A large number of posts

have been created and filled up in Schools, colleges and universities and infrastructure is being upgraded in a phased manner. To provide quality Higher Education we have established 8 Model Degree Colleges in educationally backward Districts and are planning to establish 6 more new Model Degree Colleges. We have also distributed **90,000 laptops** under “**Biju Yuva Sashaktikaran Yojana**” during last 6 years.

Skilled in Odisha

Odisha Skill Development Authority has been established to create globally competitive and well trained skilled work force within the State. The concerted efforts have resulted in National and International recognition earned by our bright and “**Skilled in Odisha**” youth while participating in skill competitions. With the assistance of Asian Development Bank, a World Skill Centre and up-gradation of ITIs/Polytechnics along with advanced Skill Training Centres have been planned.

Promoting Sports

Odisha, in recent times, has emerged as a major sports destination with successful organization of National & International sporting events. The Odisha Hockey Men’s

World Cup -2018, was widely hailed as the best organized Hockey World Cup ever.

A Sports Complex, with integrated facilities, is planned in every district. World Class Satellite Stadiums will be constructed in major cities like Cuttack, Rourkela, Berhampur, Sambalpur and Jeypore. There is a plan to construct Synthetic Hockey Turfs in all the 17 Blocks of Sundergarh, the cradle of Hockey.

Rural Development

Our Government has completed 20 lakh pucca houses under Rural Housing Scheme and we are committed to convert all kutcha houses in the rural areas of the State into pucca houses within a definite time frame. We are also committed to provide adequate safe drinking water to our habitations under the "**BASUDHA**" Scheme.

Under a unique people – connect programme "**Ama Gaon Ama Bikas**" we have covered all Gram Panchayats in the entire State and **Rs.1554 crore** has been sanctioned by the Hon'ble Chief Minister directly after discussion with the villagers through Video Conferencing.

We have also launched "**Peoples' Empowerment Enabling Transparency and Enhancing Accountability on**

Odisha Initiatives" (PEETHA) recently to make people aware about different Government initiatives and ensure delivery of entitlements to the eligible beneficiaries in different schemes in an absolute transparent manner. These two schemes are true examples of our commitment to our Hon'ble Chief Minister's 3-T Mantra.

Increasing irrigation coverage

Irrigation is one of the core activities for State's economic development, poverty alleviation and farmers growth. Our goal is to make the State drought free by effectively utilising the water resources. You will be happy to know that we are rapidly progressing to reach our target of 10 lakh hectares of additional irrigation potential by April, 2019. We have completed five major & medium irrigation projects namely Rukura, Upper Indravati Extension, Ret, Titilagarh irrigation & Telengiri irrigation projects, 67 Mega Lift Irrigation Projects, energised and handed over 53,992 Deep Bore Wells to farmers & 6059 Community Lift Points to Pani Panchayats. That apart, 8757 Check Dams in different Nallahs have been constructed to conserve water and consequentially bring additional area under irrigation.

For the Financial Year, 2019-20, we have set a target to complete Upper Indravati Lift Canal, 46 Mega Lift Irrigation Projects, 20,000 Deep Bore Wells, 1000 Community Lift Points, 2000 Check Dams. Additional irrigation potential of 2.65 lakh hectares will be created on completion of these works.

Investment in railway projects

State Government has been providing contribution for setting up of SPVs for construction of new Railway lines. Apart from contributing State's share in project cost for new Railway lines, we have been providing required land free of cost. Development of important Railway projects like Khurdha Road-Bolangir, Talcher-Bimalagarh, Haridaspur-Paradeep and Angul-Sukinda are in progress.

Industrial investment

The State Government has been successful in creating a conducive environment for sustainable growth of industries. The overwhelming response received from investors to the **Make in Odisha Conclave - 2018**, leading to investment intents worth about **Rs.4.20 lakh crore** with employment potential of 5.91 lakh persons, is a testimony to the efforts of the State Government. During 2019-20, the

State Government will intensify its efforts to expeditiously and successfully ground the investment intents received during the Make in Odisha Conclave -2018 in a time-bound manner. The efforts will be complemented by business reforms and creation of suitable industrial infrastructure so as to bring down the cost of operations.

Urban Development

Development of urban landless poor has been our priority and therefore we have enacted historic legislation “**Odisha Land Rights to Slum Dwellers Act, 2017**” – to issue land rights to slum dwellers in all Municipalities and Notified Area Councils of the State. Under the “**JAGA**” Mission we have already issued 13000 land rights certificates and we will ensure that all the eligible slum dwellers get covered on in-situ basis by March, 2019. Our Government has decided to provide energy efficient smart **LED** street lights in all ULBs. “**UNNATI**”, Urban Transformation Initiative with an objective of addressing critical gaps in urban infrastructure in convergence with other programmes has been implemented with approval of **11,731** projects.

Shree Mandir

“ABADHA” – Augmentation of Basic Amenities and Development of Heritage and Architecture at Puri, will be continued in this year for providing facilities in and around Shree Jagannath Temple. So far, **Rs.90 crore** has been provided for this purpose. Besides, we have also provided Rs.5 crore to Shree Jagannath Temple Administration for taking up developmental works.

7. The term of the 15th Assembly will expire within a few months and general elections will be held. The Model Code of Conduct for General Elections will come into force after announcement by the Election Commission of India. Customarily, the new Government has the prerogative to formulate new programmes and schemes. Accordingly, instead of presenting a full-fledged budget we propose to seek a Vote-on-Account to enable the Government to incur expenditure for the first four months of the financial year 2019-20 on existing establishment and on-going schemes and projects.

8. Before presenting the Budget Estimates and Vote on Account 2019-20, let me outline the Revised Estimates for the current financial year.

9. In the Revised Estimates for 2018-19, the total expenditure from consolidated fund is estimated at Rs.1,20,125 crore. Total Revenue Receipt is estimated at Rs.1,01,883 crore and Revenue Expenditure at Rs.91,328 crore. Thus, the Revenue surplus is estimated at Rs.10,555 crore in the Revised Estimates for 2018-19. The fiscal deficit is estimated to be contained at Rs.13,935 crore, which would be 2.9% of GSDP.

10. You are aware that Union Government has presented its interim Budget. For estimation of resources for the year 2019-20, we have adopted the estimate of share in Central Taxes and taken input for working out the Grant-in-aid for various Centrally Sponsored and Central Sector Schemes from Union Interim Budget, 2019-20.

11. Total **Administrative expenditure** is estimated at **Rs.58,170 crore** in **2019-20** including **Rs.25,500 crore** for salaries, **Rs.13,300 crore** for pension, **Rs.6,500 crore** for interest payment and **Rs.4,880 crore** for maintenance of capital assets.

12. Total **Programme expenditure** outlay for the financial year **2019-20** will be **Rs.70,000 crore**. This includes an outlay of **Rs.66,000 crore** for the **Government sector** and **Rs.4,000 crore** for the **Public Sector Undertakings**.

13. The outlay for **Disaster Response Fund** will be **Rs.2,000 crore**. **Transfers from State to the Local Bodies & Development Authorities** will have an outlay of **Rs.6,490 crore**.

14. Thus, the Budget Estimates for 2019-20 envisage an expenditure of **Rs.1,32,660 crore**. The capital outlay in 2019-20 is **Rs.23,784 crore**, which is about **4.4 per cent** of **GSDP**. Additionally, loans and advances, grants for creation of capital assets and other expenditure for capital formation together account for nearly **Rs.10,000 crore**, which is about **2 per cent** of **GSDP**.

15. The availability of **Revenue Receipt** of the Financial Year, 2019-20 has been worked out at **Rs.1,10,710 crore** and the **Revenue Expenditure** has been estimated at **Rs.1,02,227 crore**. The estimated revenue surplus is of the order of Rs.8,433 crore, which would be 1.6% of GSDP. The estimated fiscal deficit of Rs.16,193 crore would amount to 3% of GSDP.

16. Hon'ble Governor has also mentioned the details of important achievements of the State Government. Therefore, I have not narrated in detail all the initiatives taken by the State Government in different sectors.

17. Within the available resource envelope, we have made provisions for different schemes & continuing Programmes. I am giving an outline of provisions for important continuing schemes & programmes for information of this august House.

Welfare of Farmer- KALIA	Rs.4461 crore
Interest Subvention to Farmers	Rs.800 crore
Ama Gaon Ama Bikash- PEETHA	Rs.400 crore
Rural Water Supply – BASUDHA	Rs.2935 crore
Madhubabu Pension Yojana	Rs.2120 crore
Mission Shakti	Rs.301 crore
MAMATA	Rs.305 crore
Biju Swasthya Kalyan Yojana	Rs.864 crore
Gopabandhu Grameen Yojana	Rs.500 crore
Biju Yuva Bahini	Rs.105 crore
Parvati Giri Mega Lift	Rs.1777 crore
Water Sector Infrastructure Development Programme	Rs.1465 crore
Road Development Programme	Rs.1300 crore
Supply of Rice @ Rs.1/- per Kg	Rs.1028 crore
Pre-matric and Post-matric scholarship to ST & SC	Rs.959 crore
33/11 KV Sub-Station	Rs.533 crore
Biju Setu Yojana	Rs.500 crore
Development of Railway Projects in the State	Rs.410 crore
UNNATI	Rs.401 crore

Construction of Check-Dams	Rs.357 crore
Mukhya Mantri Sadak Yojana	Rs.350 crore
Odisha Adarsha Vidyalaya	Rs.300 crore
Provision for Corpus Fund for Seeds, Fertilizers etc.	Rs.260 crore
Exploitation of Ground Water in water deficit areas	Rs.250 crore
Construction of SCs & STs Hostel	Rs.227 crore
Canal Lining and System Rehabilitation Programme	Rs.210 crore
State Highways Development Project	Rs.200 crore
State Capital Region Improvement in Power Supply (SCRIPS)	Rs.190 crore
Incentives under IPR	Rs.188 crore

18. Keeping in view the requirement of funds for expenditure on payment of salary, pension, interest, repayment of principal, relief, old age pension, scholarship of ST & SC students and other on-going scheme and programmes, a sum of **Rs.56,921 crore** has been proposed in the Vote on Account for seeking approval of this August House to defray the expenses during the first four months of the financial year, that is, from April to July, 2019. This would cover 100% of Budget Estimates for calamity and election related expenses and 40% of Budget Estimates for all other schemes.

19. Our Government under the able leadership of our Hon'ble Chief Minister Shri Naveen Patnaik has been consistently making efforts for the last nineteen years to usher in an era of development and progress in the State. However, the developmental challenges before us are manifold. We have travelled a long distance, but we need to work harder to realise growing aspirations of young and vibrant Odisha. I am confident that the vision, leadership and support of the people of Odisha, will allow us to reach greater heights by utilising the budgeted resources efficiently.

20. Once again, I express my sincere thanks to the Hon'ble Leader of the House, Hon'ble Leader of Opposition and all the Hon'ble Members of this August House for their kind co-operation, constructive suggestions and unstinted support. I also thank the Hon'ble Speaker for giving me this opportunity to speak a few words while presenting this Vote-on-Account Budget for the year 2019-20. This is the concluding session of the 15th Assembly. In this context, I reiterate our deep commitment for peace, prosperity and wellbeing of the people of Odisha.

Vande Utkal Janani

Jai Hind