



GOVERNMENT OF ODISHA

BUDGET

Part - I
2021-22

Agriculture

Presented by

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Hon'ble Speaker Sir,

I rise to present the Budget for the year **2021-22**.

2. We had presented a budget for the year 2020-21, that aimed at translating the vision of our beloved Chief Minister Sri Naveen Patnaik into action. The dream of a **"New Odisha - Empowered Odisha"** was reflected in the budget with agenda to transform health, agriculture, education, livelihoods, infrastructure as well as industries to the next level with adequate safeguard for the vulnerable sections of the society.

3. But, before we act, there came COVID-19, a crisis of unprecedented nature. The pandemic affected every sphere of life across the globe. The priorities of the Government changed and new priorities emerged. Odisha's response to the pandemic was decisive and prompt. The message of our Hon'ble Chief Minister, **"Every life is important for us"** had set the tone and intention of the Government. The entire Government machinery especially ASHA & health workers, police personnel, and other frontline COVID warriors worked day and night to ensure that the mortality rate in the State is kept at the lowest. We took several reforms and used IT-enabled

services to keep the State Government services operational despite stringent COVID protocol.

4. We are thankful to all Hon'ble members of this august house irrespective of party lines for their support extended to the Government in COVID management. Moreover, we acknowledge the patience, courage, restraint, and confidence shown by the 4.5 crore people of Odisha under the charismatic leadership of our beloved Chief Minister Sri Naveen Patnaik.

5. The global pandemic COVID-19 has had a large scale impact on lives, livelihoods, and economies across the globe. However, under the visionary leadership of our beloved Chief Minister Shri Naveen Patnaik, we have done better than the rest of the world in minimizing the impact with better preparation, greater vigilance, and accurate execution of the COVID management plan. The World Health Organization (WHO) in their article, "**From governance to community resilience: Odisha's response to COVID-19**" has applauded the Odisha model of COVID management. The COVID cases in Odisha have now gone down substantially and life has come back to near normal. However, we have to remain vigilant and careful for some more time as the fight against the virus is not yet over.

6. Now, the time has come to re-position ourselves and march ahead with double intensity and strength to regain the lost ground and achieve the developmental objectives. I would like to recite an inspiring thought of famous poet of this soil Kuntala Kumari Sabat:

“ହେଲାଣି ହେଲାଣି ନବ ସୁର୍ଯ୍ୟୋଦୟ,
ଆଉ କି ଲଜା, ଆଉ କି ଭୟ!
ନବ ଯଉବନେ ଶିରୀ ସଂପଦେ ହସଇ ପ୍ରକୃତିରାଣୀ,
ନ କହ ନ କହ ଆଉ କର୍ଣ୍ଣ ମୂଳେ
ନିରାଶା ଭୀଷଣ ବାଣୀ!”

7. We have conducted Pre-Budget consultations with experts, representatives of different sections, and people at large and have received more than 1800 suggestions. We have carefully considered the suggestions while preparing the Budget.

8. While presenting Annual Budget, 2020-21, we had almost done away with the printing of budget documents through the introduction of “**e-Budget**”. Taking this green initiative to the next level, we are presenting the Budget for 2021-22 in this august house in complete electronic form through the **National e-Vidhan Application (NeVA)**. The entire budget proceedings will be paperless from this year and **Odisha is one of the first States in the country** to use the NeVA platform for e-budget presentation. This initiative

would reduce printing of **about 1.5 crore pages of paper** and save about **2000 large trees**.

9. To make the budget documents and other budget-related information accessible for all stakeholders, we have launched a **progressive web application with mobile compatibility**. Besides, the **Mobile App for Odisha Budget** is made available both in Android and IOS versions.

10. Under the able leadership of Hon'ble Chief Minister Sri Naveen Patnaik, our Government is committed to enhance credibility, accountability, and transparency in the budget-making process as part of our Public Financial Management reforms. We have brought in a multi-year structure to the budget-making process through the introduction of a "**Medium-Term Fiscal Framework (MTFF)**".

11. To further enhance disclosure standards, we have come up with a "**Fiscal Strategy Report**" with a multi-year fiscal outlook and policy stance. We have come up with a "**Status Paper on Public Debt**" to bring in awareness of the general public on Government borrowing, its use, and debt outlook in the medium term.

12. The State Government has adopted a **Comprehensive Fiscal Risk Management** practice with technical assistance from International Monetary Fund

(IMF). Reserve Bank of India in their publication **“State Finances: A Study of Budgets, 2020-21”** have identified fiscal risk management in Odisha as a **best practice**.

13. Taking a step forward, we have come up with a **“Fiscal Risk Statement”** along-with this budget as a public disclosure document. **Odisha has become the first state in the country to introduce such reform** in active partnership with International Monetary Fund (IMF).

14. Sustainable Development Goals (SDGs) are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". We took up an exercise of mapping the schemes to the respective SDG goals and targets. To take the exercise to the next level, we are introducing a disclosure document on **“Sustainable Development Goals (SDGs) Budget”**.

15. We propose to continue with the disclosure document on **“Climate Budget”** to provide a brief account of tracking climate-related public expenditure. We would also continue to bring out separate disclosure documents on **“Gender Budget”**, **“Child Budget”** and **“Nutrition Budget Statement”** with deeper analysis in association with UNICEF.

16. Odisha’s economy is consistently growing at a **higher rate compared to the national growth**. However, due to the

impact of COVID-19, the economy at the global, national, and State levels would contract during 2020-21. According to IMF's World Economic Outlook (2020), global GDP is expected to decline by 4.9 percent in 2020-21, with a slow recovery in 2021-22 as economic activities normalize. In the case of India, the economy could shrink by about 7.7 percent in 2020-21 as per the first advance estimate whereas, **4.9 percent** contraction in the State's economy for same period shows that our economy may be relatively less impacted. As per our estimate, the State Government's focus on industries as well as MSME sector, social sector, employment generation, and higher investment in infrastructure is likely to help the State economy to grow in the range of **10 percent to 11 percent** during 2021-22, from the lower base of this year.

Hon'ble Speaker Sir !

17. Investment is a key driver for inducing higher growth. The government is enhancing public investment through budgetary provisions for various sectors. Government is also keen to upscale the private capital formation to propel the economy and all efforts are being made for enhanced credit flow to Farmers, MSMEs, and Women's SHGs to push the economy to a higher level of growth.

18. Annual Credit Plan (ACP) of the State for the year 2021-22 has been enhanced to **Rs.1,10,000 crore** for priority sectors with an increase of around 22.5 percent over the target of 2020-21. **For the first time, Hon'ble Chief Minister has taken a joint review with Collectors and bankers to ensure timely and adequate credit flow** to priority sectors. The government is extending interest subvention/subsidy for various sectors for easy availability of credit. We will ensure that District Administration and Bankers work closely to achieve credit targets.

In this context, I now proceed to present the **Agriculture Budget.**

Hon'ble Speaker Sir,

19. Odisha remains by and large a rural and agrarian economy. The Agriculture and allied sector form the single largest employment sector of the State providing employment to nearly 50 percent of the total workforce of the State. This sector contributes around 21 percent to the Gross State Value Added (GSVA) as per the advance estimates of 2020-21.

20. Our beloved Chief Minister Shri Naveen Patnaik is committed to Farmers' Empowerment through holistic, focused, and accelerated development of agriculture in the State.

21. Farmer's welfare initiatives by the Government comprising of different programmes in the past have not only enhanced their income but also been instrumental in agricultural development in the state. The services under the sector have been brought under the **Umbrella of 5T & Mo Sarkar** to enhance the delivery mechanism and reach out to every farmer in all corners of the state.

Hon'ble Speaker Sir,

22. The present Agriculture Policy, 2020 is focused on farmers' well-being through continuous and inclusive growth in their income by ensuring sustainable, stable, and scalable growth in the coming years. To bring about **transformative change** in the agriculture & allied sector, this budget has given a **higher focus on research, development and extension activities.**

23. We have introduced "**Krushak Assistance for Livelihood and Income Augmentation**" – **KALIA from the financial year, 2018-19** to accelerate agricultural prosperity and reduce poverty in the State. This Universal Basic Income scheme for farmers has been recognized at various forums in the country. **KALIA Scholarship will be** provided to ensure proper higher education for the children of KALIA beneficiaries. It is envisaged to continue

the support through 2021-22 and an amount of **Rs.1800 crore** is proposed for KALIA scheme.

24. Organic farming has been promoted in more than 20800 hectares in the State. For accelerating the growth in organic farming **Rs.35 crore** is proposed under "**Paramparagat Krishi Vikash Yojana**."

25. Similarly, revolving funds of **Rs.100 crore** for seeds and **Rs.100 crore** for fertilizers is proposed to ensure the advance availability of seeds and fertilizers, which are the vital inputs in agriculture for the production of a good quality crop.

26. It is our Hon'ble Chief Minister's dream to transform **Ouat into a Centre of Excellence and set global benchmarks** in agricultural research and extension. **Rs.148 crore** is proposed for agricultural research, education, and infrastructure, which is about five times of Budget allocation made in the year 2019-20.

27. To stimulate an array of activities for the promotion of horticultural crops, **Rs.132 crore** has been proposed under **Horticulture Development Programme**. Further, **Rs.120 crore** under **National Horticulture Mission** is proposed to increase the production of all horticultural products to the maximum potential available in the state.

28. Further, **Rs.450 crore** has been proposed under **Rashtriya Krishi Vikas Yojana (RKVY)** to develop farming as a main source of economic activity ensuring more inclusive and integrated development of agriculture and allied sectors. **Rs.454 crore** is proposed for subsidy for **capital investment for the establishment of commercial agri-enterprises & for popularization of agricultural implements and diesel pump sets.**

29. An allocation of **Rs.60 crore** has been proposed to support **Farmers' Producers Organisations (FPOs)** in the production, aggregation, storage, processing, distribution, and marketing of agriculture and allied sector resources for sustainable development.

Irrigation and Water Use efficiency

Hon'ble Speaker Sir,

30. Providing water to farmers is one way of ensuring their economic growth. We intend to create additional irrigation potential of **2.74 lakh** hectares during 2021-22 to bring more area under irrigation coverage.

31. Odisha is endowed with about 11 percent of the water resources of the country. Mitigation of the growing adverse impact of climate change, conservation of surface water, and augmentation of storage capacity are

the priorities of the Government. We have taken up 8 **In-stream Storage Structures (ISS)**. We further intend to take up 23 new ISS during 2021-22 with a budget allocation of **Rs.795 crore for this year**. This is a **transformative initiative** for water conservation and usage.

32. We have planned to complete all ongoing Major Medium and minor irrigation projects in the next two to three years. Apart from the completion of ongoing projects, we have planned to take up two new Medium irrigation projects namely **Sandul in Kalahandi district and Turi-Guntat in Nabarangpur district** in 2021-22. A sum of **Rs.2258 crore** has been proposed for the completion of incomplete **AIBP Projects implemented through PMKSY** and a sum of **Rs.454 crore** has been proposed under the state-funded **Water Sector Infrastructure Development Programme (WSIDP)**. Besides, an outlay of **Rs.710.00 crore** has been proposed for flood control and drainage work.

33. Our Government has started Parvati Giri Mega Lift Irrigation Scheme since 2013-14 to provide irrigation to the upland areas of the State. A sum of **Rs. 860 crore** has been proposed under this scheme during 2021-22 with a target to complete ongoing 60 projects.

34. An outlay of Rs.180 crore has been provided under RIDF in 2021-22 for the **Jalanidhi scheme** to create additional irrigation potential. Deep Bore Well construction programme has received huge demand from farmers in the State. Keeping in view the demand of the farmers, I propose a sum of **Rs.389 crore** for completion of **21,000 Deep Bore Wells** under **Deep Borewell Secha Karyakrama** and **Rs.400 crore** for **Biju Krushak Vikas Yojana (BKVY)** to **install 1500 community lift points**.

35. Our priority is to improve water use efficiency in irrigation systems. For equitable distribution of water, a sum of **Rs.81 crore** has been proposed for **Command Area Development and Water Management (CADWM) activities**. To minimize conveyance loss in canals, a sum of **Rs.101crore** has been proposed under **Canal Lining and System Rehabilitation Programme (CLSRP)**. For the modernization of irrigation projects, a sum of **Rs.77 crore** has been proposed under **Naba Krushna Choudhury Secha Unayana Yojana**.

36. For the renovation and modernization of 538 MIPs/Tanks in 15 districts, **Odisha Integrated Irrigation Project for Climate Resilient Agriculture (OIIPCRA)** has been started under World Bank assistance. A sum of **Rs.200.00 crore** has been proposed under this scheme in 2021-22.

37. Our Government had come up with a scheme “**Revival of Defunct Lift Irrigation Projects**” to address the concerns of Hon’ble Members of the August House. We have so far revived 6346 defunct Lift Irrigation Points. A sum of **Rs.160 crore** has been proposed in the budget to revive 1000 defunct LIPs during 2021-22.

Farm Credit

Hon’ble Speaker Sir,

38. Farm Credit is one of the most crucial inputs in enhancing agricultural productivity. Our Government is committed to provide zero percent interest loans up to Rs.50,000/- to farmers under the KALIA scheme. We had also kept our promise to provide interest subvention on crop loans above Rs.50,000/- up to Rs.3 lakh at an effective interest rate of 2%. For this, I propose **Rs.819 crore** under the scheme **Interest Subsidy/Subvention** to farmers during 2021-22.

39. The Cooperatives are providing about 65 percent of the total crop loans dispensed to the farmers in the State as against the national average of 17 percent. During the year 2021-22, the Cooperative Banks will provide crop loans of about **Rs.16,000 crore**. I propose to provide **Rs.24 crore** towards financial support to Cooperative institutions,

Rs.50 crore towards equity supports to Cooperative banks, and **Rs.50 crore** as share capital investments in PACS.

Risk Mitigation & Insurance

40. Pradhan Mantri Fasal Bima Yojana (PMFBY) is being implemented in the State to protect the farmers from loss of income and livelihood arising out of natural calamities/vagaries of nature etc. An allocation of **Rs.500 crore** is proposed to provide quick relief and adequate compensation to the farmers during 2021-22.

Post-Harvest Management

41. Procurement of food grains serves the broad objectives of ensuring MSP to the farmers and availability of food grains to the weaker sections at affordable price through PDS. Paddy procurement proceeds are being directly credited to the farmers' accounts through **P-PAS portal linked with the Core Banking Solution System of Odisha State Cooperative Bank, which is unique in the Country.**

42. The Price Support scheme has been introduced in the State through the involvement of NAFED to provide remunerative prices to the farmers for non-paddy crops namely green gram, black gram, arhar, groundnut, and

sunflower. Arrangement has been made for procurement of Ragi through **M-Pass**. Further, **e-Samridhi portal** has been developed for the registration of farmers for procurement of pulses and oilseeds.

43. Odisha's Millet Mission is being implemented in the State to provide remunerative price for Millet growing farmers and promote nutritional security, especially in tribal pockets. **Rs.106 crore** is proposed for the Mission.

Allied Activities

44. Non-farm activities have played a significant role in enhancing the farmers' income. Our Government has identified the allied sectors as the growth propellers for Odisha's farmers, women SHGs, and entrepreneurs. We propose to increase the outlay of the Fisheries & Animal Resources Development sector to **Rs.1415 crore** which is 17 percent increase.

Fisheries

45. To increase fish productivity and production a provision of **Rs.137 crore** has been proposed for the **Development of Brackish Water Aquaculture, Marine Fisheries, Intensive Aquaculture, and Inland Fisheries.**

46. Over 4000 farmers will be supported to take up new fish tanks for intensive freshwater aquaculture with a provision of **Rs. 70 Crore** under the flagship “**Machha Chasa Pain Nua Pokhari Khola Yojana**”. Besides, a provision of Rs.5 crore has been made for skill up-gradation, training, and awareness programmes for fish farmers.

47. An outlay of **Rs.100 Crore** has been proposed for up-gradation of Government Fish Farms for early breeding and rearing of fish fingerlings, modernization of Fish Landing Centers, and construction of modern Hygienic fish markets in urban centers of the State. Assistance will be provided to Women SHGs towards input assistance for taking up pisciculture in 2000 hectare Grama Panchayat tanks with a provision of **Rs.19 Crore**. An amount of **Rs.9 Crore** is proposed for alternative livelihood activities to Marine fishermen during the fishing ban period.

48. We have proposed an outlay of **Rs.161 crore** under the scheme ‘**Blue Revolution**’ for integrated development & management of fisheries.

Animal Husbandry & Dairy

49. Animal husbandry and dairy have enormous potential for rural self-employment and women empowerment. These two sectors are important sources of

income for rural families and provide a safety net during crop failure.

50. We have provided **Rs.102 crore** under the scheme '**Rashtriya Pashudhan Vikash Yojana**' for the development of dairy and livestock management. An amount of **Rs.34 crore** has been provisioned under RIDF for the establishment of 5 lakh **LPD Dairy Plant by OMFED**.

51. We propose to provide **Rs.21 crore for Mobile Veterinary Units** to provide doorstep veterinary services through the hospitals and dispensaries in all the blocks of the State and **Rs.100 crore for "Up-gradation of Livestock Health Care service"**. Besides, **Rs.51 crore** has been proposed for setting up new broiler farm units, duck farms, backyard poultry units, etc.

52. Animal Helpline Services will be created in Urban Centres to provide emergency health care services to the injured and distressed animals. Similarly, Animal Birth Control Programme will be strengthened and expanded in major Urban Centres. A provision of **Rs.15 crore** has been made in the Budget.

53. Research and education in the field of Veterinary Science is very important for the development of livestock. With the above objective, we propose establishment of a

new **Veterinary University** and **Centre of Excellence** in the State with provision of **Rs.30 crore** for 2021-22.

Agriculture and Allied Sector through convergence

Hon'ble Speaker Sir,

54. We started a separate Agriculture Budget in 2013-14 with an outlay of **Rs.7,162 crore**. However, under the dynamic leadership of our Hon'ble Chief Minister, I propose an outlay of **Rs.17,468 crore** in 2021-22.

55. There is immense potential for utilization of MGNREGA funds for farm and non-farm activities in terms of taking up agriculture, horticulture, fishery, and livestock-related programmes on a large scale. Therefore, emphasis will be on **accessing MGNREGA funds to the tune of Rs.1966 crore through convergence mode** to enhance activities in this sector.

56. Further, convergence is being made through **Odisha Mineral Bearing Areas Development Corporation (OMBADC)** and **District Mineral Fund (DMF)** to create irrigation potential and livelihood improvement by taking up Watershed development activities, Water Harvesting structures, Mega Lift Irrigation projects, Community LIPs, MIPs and Check Dams, etc. Projects with a cost of **Rs.447 crore** will be taken up in the year 2021-22 in convergence

with **OMBADC and DMF for the purpose**. Thus, the total investment for Agriculture & Allied sector from budgetary and off-budget sources would be about **Rs.20,000 crore** for the year 2021-22.

57. Agriculture is the most healthful, most useful, and noble employment of man. It remains the lifeline of our economy contributing to our food security and providing livelihood to a vast majority of our people. The hard work and honest sweat of the farmers act as a real saviour of the earth. Our famous poet, **Swabhaba Kabi - Gangadhar Meher** has glorified agriculture in the following words

“ କୃଷି କଳା ନରକୁ ଦିବ୍ୟ ଅନ୍ନ ଦାନ
ଶୀତ ରକ୍ଷା ନିମନ୍ତେ ବସ୍ତ୍ର ଉପାଦାନ
କୃଷି ସିନା ସଂସାରେ ସଭ୍ୟତାର ମୂଳ
କୃଷି ଏକା ସକଳ ଜୀବିକାର ତୁଳ ”।

With these words, I dedicate this Agriculture Budget for the growth and development of agriculture and allied sectors for the empowerment of the farming community.