



GOVERNMENT OF ODISHA

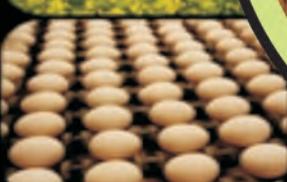
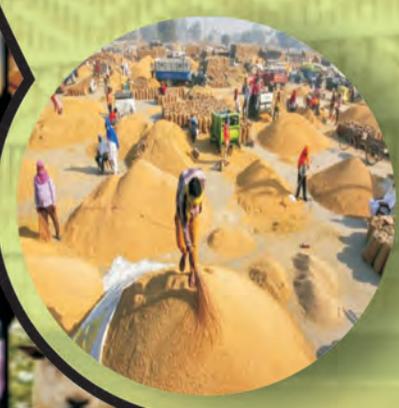
BUDGET

Part - I
2022-23

Agriculture

Presented by
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Minister, Finance
2nd July, 2022



Hon'ble Speaker Sir,

I rise to present the **Annual Budget, 2022-23** before this august House. I am grateful to Hon'ble Chief Minister for giving me the opportunity to present the Annual Budget consecutively for the fourth time.

2. It gives me great pleasure to begin with an optimistic outlook. We are now moving forward after effectively managing successive waves of the pandemic. We have learnt to live with the new normal observing COVID appropriate behaviors. We are confident, this will be reflected in economic activities leading to wealth creation and increased income for the State and its people.

3. We have held pre-budget consultations with a cross section of society to make the Budget more inclusive and participative. This year, around 2,400 suggestions have been received through Budget web-portal, e-mail, SMS, WhatsApp, Twitter and Facebook on a range of subjects. We have carefully considered the suggestions and factored them while preparing the Budget, making it truly participative.

4. I would like to quote the inspiring words of our visionary leader Shri Naveen Patnaik

"Empowerment of women is very close to my heart. No household, no society, no state and no country has ever moved forward without empowering its women."

5. In just two decades, Mission Shakti has been able to bring together more than 70 lakh women of more than 6 lakh SHGs. In recognition of the role of Mission Shakti programme in empowerment of women, an independent Mission Shakti Department has been created to bring synergy across all the SHG-centric Government initiatives,

deepening the engagement of lakhs of women at the grassroot level and ensuring sustainable livelihood opportunities for members of women SHGs. The recent success of women candidates in the three-tier Panchayat and Urban polls in the State indicates a paradigm shift in the perception of women from *care givers to decision makers*.

6. Our Government is committed to enhancing credibility, accountability and transparency in Governance and Public Financial Management. The **5T mantra** of our beloved Chief Minister Shri Naveen Patnaik has brought about transformation in every sphere of governance and service delivery. The initiative has not only enhanced the trust of the people in Government, it has also drawn the wide spread appreciation at National as well as Global level as a best practice in Governance.

7. Hon'ble Chief Minister introduced '**Mo Sarkar**' initiative to supplement the 5T governance model on Gandhi Jayanti day in 2019. As part of this, the administration gathers feedback to fix accountability on officials and improve the design and delivery of public services. The 5T mantra coupled with "Mo Sarkar" reflects our continued commitment to empower our citizens and truly making them partners in governance, aspiring for a "**New Odisha- Empowered Odisha**." This reflects a paradigm shift from **representative democracy to participative democracy**.

8. Our multi-year budget-making process involves preparation of a "**Medium-Term Fiscal Framework (MTFF)**" and includes disclosure documents, like – **Fiscal Strategy Report, Status Paper on Public Debt** and **Comprehensive Fiscal Risk Statement**, which have been widely praised by RBI and IMF. All these practices have been recognised as

best practices and good governance initiatives in the country.

9. In the year 2021-22, we prepared a disclosure document on “**Sustainable Development Goals (SDGs) Budget**”. This apart, we would 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 statements on “**Gender Budget**”, “**Child Budget**” and “**Nutrition Budget**” with deeper analysis in association with UNICEF.

10. Like previous years, this Budget is presented in two parts. The first part is the **Agriculture Budget**, which not only covers the outlay and programmes relating to Agriculture and allied activities, but also presents the macro-economic outlook as well as the economic context in which this Budget is being presented. The second part is the **General Budget**.

Macro-Economic Outlook

11. The global economic outlook for 2022-23 present mixed prospects. As per the forecast of the International Monetary Fund (IMF), the growth in World GDP is expected to pick up modestly in advanced as well as emerging economies. However, there are considerable uncertainties associated with commodity prices, higher inflation and political uncertainty in Europe. At the national level, the GDP forecast for the current year has been revised downwards mainly due to effects of higher inflation. However, despite this downside pressure, the State’s economy is expected to grow between **8 to 8.5 per cent** during the current fiscal year, especially due to higher Government spending and revival of economy post pandemic. This would be well above the national level growth estimates.

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

Hon'ble Speaker Sir,

12. Odisha is an agrarian State. Agriculture plays an important part in rural development. Agriculture and allied activities constitute nearly **20.6 per cent in Gross State Value Added (GSVA)** as per the advance estimates of 2021-22. The agriculture and allied sector is the single largest employment provider and holds the key to socio-economic development in the state.

13. Our Government is committed to Farmers' Empowerment through holistic, focused, and accelerated development of agriculture in the State under the leadership of our beloved Chief Minister Shri Naveen Patnaik. The sector is supported through a separate Agriculture Budget since 2013-14 and the State allocates a sizeable portion of its resources for this sector.

14. The services under the sector have been brought under the **Umbrella of 5T & Mo Sarkar** with the objective of enhancing the delivery mechanism and to reach out to every farmer of the State for achieving the highest level of farmers' satisfaction.

Hon'ble Speaker Sir,

15. Our Government has laid special emphasis on development of agriculture sector through various interventions supported by a comprehensive and inclusive **SAMRUDHI- Agriculture Policy, 2020**. With focus on crop diversification, market linkage and use of technology, this policy is expected to bring a visible change in farmer's income through realisation of better prices.

16. **Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme** was introduced by the State Government from the financial year, 2018-19 to accelerate agricultural prosperity and reduce poverty in the State. This income support scheme of the State Government has been recognised and appreciated at various forums in the country. About 38 lakh small & marginal farmers and 18 lakh landless agricultural households have already been assisted. It is envisaged to continue the support through 2022-23 and an amount of **Rs.1,874 crore** is proposed for **KALIA scheme**.

17. Odisha University of Agriculture and Technology (OUAT) has taken up several innovative policy initiatives to strengthen academic, research and extension education in the last couple of years. 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.161 crore** is proposed as grants to OUAT for agricultural research, education, and infrastructure, which is more than five times of Budget allocation made in the year 2019-20.

18. Horticulture crops produce a higher yield per hectare than field crops. **Rs.312 crore** has been proposed under **Horticulture Development Programme** to stimulate an array of activities for the promotion of horticultural crops and holistic growth of the horticulture sector. Similarly, **Rs.122 crore** under **National Horticulture Mission** is proposed to enhance horticulture production, improve nutritional security and income support to farm households.

19. Further, **Rs.300 crore** has been proposed under **Rashtriya Krishi Vikas Yojana (RKVY)** to ensure the holistic development of agriculture and allied sectors in the State. **Rs.432 crore** is proposed towards subsidy for **capital investment** for the establishment of commercial agri-

enterprises & for **popularization of agricultural implements and diesel pump sets.**

20. An allocation of **Rs.25 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,

21. Irrigation is the most vital element for agriculture. Recognizing the significance of irrigation in agricultural production, we have made rapid stride in irrigation development in the last two decades under the visionary leadership of our Hon'ble Chief Minister. The pace of irrigation development will continue in coming years in order to insulate agriculture from vagaries of monsoon. During 2022-23, we plan to bring **additional 2.80 lakh hectares of agriculture land under irrigation coverage** so as to improve crop production and productivity.

22. Climate change has become the greatest challenge now-a-days. 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 already taken up 30 **Instream Storage Structures (ISS)**. 16 new ISS are proposed during 2022-23 with Budget allocation of Rs.1,044 crore.

23. Our Government is giving priority for completion of ongoing major and medium irrigation projects. We have adopted Underground Pipeline (UGPL) distribution system in many projects instead of open canals for time bound completion. Besides, we have taken up new

major and medium irrigation projects, namely – **Sandul, Kusumi, Sono, Turi-guntat** recently to bring more areas under irrigation coverage. We have planned to take up **Jhanjabati project in Koraput district** in 2022-23. **Mahanadi-Chitrotpala Island Irrigation (MCII)** and **Deo project** will be dedicated to the people shortly. A sum of **Rs.2,493 crore** has been proposed for completion of AIBP Projects implemented through **Pradhan Mantry Krishi Sinchayee Yojana (PMKSY)** and a sum of **Rs.1,022 crore** has been proposed under the State funded **Water Sector Infrastructure Development Programme (WSIDP)** scheme for completion of other ongoing and new projects. Besides, an outlay of **Rs.968 crore** has been proposed for **flood control and drainage work**.

24. Parvati Giri Mega Lift Irrigation Scheme has been implemented in the State since 2013-14 to provide irrigation to lakhs of farmers in the upland areas. The State government will spend **Rs.10,759 crore** for Mega lift irrigation projects in the next five years with a target to provide irrigation to additional **2.63 lakh hectare**. A sum of **Rs. 485 crore** has been proposed under this scheme during 2022-23 with a target to complete ongoing **20 projects**. An outlay of **Rs.234 crore** has been made under RIDF in 2022-23 for **Jalanidhi scheme** to create additional irrigation potential.

25. Deep Bore Well construction programme has received huge demand from farmers in the State. A sum of **Rs.400 crore** has been proposed under **Deep Borewell Secha Karyakrama – Biju Krushak Vikas Yojana (DBSK-BKVY)** with a target to take up **12,500 Deep Bore Wells** during 2022-23. Besides, a sum of **Rs.422 crore** has been proposed under **Biju Krushak Vikash Yojana (BKVY)** with a target to take up **1,500 Community Lift points** during 2022-23.

26. Efficient water use can improve water quality, maintain aquatic

ecosystems and protect drinking water resources. Our priority is to enhance water use efficiency in irrigation systems. I propose a sum of **Rs.200 crore** for **Command Area Development and Water Management (CADWM)** activities for equitable distribution of water. To enhance water availability at farm level and reduce seepage losses in distribution system, a sum of **Rs.440 crore** has been proposed under **Canal Lining and System Rehabilitation Programme (CLSRP)**. A sum of **Rs.50 crore** has been proposed under **Naba Krushna Choudhury Secha Unayana Yojana** to strengthen the irrigation channels across the State and to revive the canals for this purpose.

27. Odisha Integrated Irrigation Project for Climate Resilient Agriculture (OIIPCRA) is under implementation to intensify and diversify agricultural production and enhance climate resilience in selected districts of Odisha. A sum of **Rs.300 crore** has been proposed under this scheme in 2022-23 for the renovation and modernization of 538 MIPs/Tanks.

28. Our Government had come up with a scheme **“Revival of Defunct Lift Irrigation Projects”** for restoration of lost ayacut. We have so far revived **7061** defunct Lift Irrigation Points. A sum of **Rs.195 crore** has been proposed to revive 1,000 defunct LIPs during 2022-23.

Farm Credit

Hon’ble Speaker Sir,

29. The State Government, in collaboration with NABARD, has launched a scheme titled **“BALARAM”** to extend institutional credit to sharecroppers especially landless farmers. The scheme envisages covering 5 lakh farmers through 1 lakh Joint Liability Groups (JLGs).

30. Our Government is committed to provide interest free loans up to Rs.50 thousand to farmers under the KALIA scheme. We have also kept our promise to provide interest subvention on crop loans above Rs.50 thousand and up to Rs.3 lakh at an effective interest rate of 2 percent. I propose **Rs.893 crore** under the scheme **Interest Subsidy/Subvention** to farmers during 2022-23.

31. The Cooperatives are providing about 60 percent of the total crop loans dispensed to the farmers in the State as against the national average of 17 percent. I propose to provide **Rs.37 crore** towards financial support to Cooperative institutions and **Rs.150 crore** towards equity support to Cooperative banks during 2022-23.

32. Similarly, a **Corpus Fund** (interest free loan) of **Rs.100 crore** has been provided during 2022-23 for Odisha State Co-operatives Marketing Federation Ltd. towards procurement of non-paddy crops in the State. Besides, I propose **Rs.200 crore** towards interest free loan for fertiliser and seed during 2022-23.

33. We are using space imaging technology with support from ORSAC for beneficiary identification for crop loss in a scientific manner. **Pradhan Mantri Fasal Bima Yojana (PMFBY)** is being implemented in the State to provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests and diseases. An allocation of **Rs.600 crore** is proposed for settlement of the claims, providing quick relief and adequate compensation to the farmers during 2022-23.

Post-Harvest Management

34. Procurement of food grains ensures effective market intervention thereby keeping the prices under check 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.

35. 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. Further, **e-Samridhi portal** has been developed for the registration of farmers for procurement of pulses and oilseeds.

36. The United Nations have declared **2023** as the **International Year of Millets** in recognition of these climate resilient and nutrient-rich crops. We had infact launched **Odisha Millet Mission** way back in 2017 for promotion of millets in 85 blocks spread over 15 districts in convergence with DMF. The farmers are being organised into FPOs and as such 75 FPOs have been registered for promotion of Millets. The millet farmers are provided with procurement support through Millet Procurement Automation System (M-PAS). Ragi has now been introduced under PDS and nutritional programme under ICDS. In recognition of the efforts under the programme, Odisha has been awarded "Best Millet Promoting State" under "Poshak Anaj Award" by ICAR-IIMR and FAO during 2020-21, and the Skotch Gold Award, 2019. **Rs.362 crore** is proposed for the Mission during 2022-23.

Allied Activities

37. Allied activities like dairy, poultry, cattle rearing, fishing, and

animal husbandry contribute substantially to the farmers' income and therefore, it is a major focus for our Government. Our Government has identified allied sector as the growth propeller for Odisha's farmers, women SHGs and agri-entrepreneurs. We propose to substantially increase allocation for Fisheries and Animal Husbandry sector by more than 17 per cent to **Rs.1,658 crore**.

Fisheries

38. Fisheries Development provides ample job as well as self-employment opportunities. Our Government is encouraging pisciculture, on a large scale, to enhance production and productivity. A provision of **Rs.182 crore** has been proposed for **Intensive Aquaculture and Inland Fisheries Development**.

39. A sum of **Rs.98 crore** has been proposed under the flagship scheme "**Machha Chasa Pain Nua Pokhari Khola Yojana**" to support 4,000 farmers for creation of additional water bodies for intensive aquaculture in inland sector through excavation of new tanks/ ponds in the State of Odisha. Besides, a provision of **Rs.5 crore** has been made for **skill up-gradation, training, capacity building and awareness programmes for fish farmers**.

40. **Fisheries Infrastructure Development Fund (FIDF)** envisages creation of fisheries infrastructure facilities both in marine and inland fisheries sectors and augment fish production. A sum of **Rs.25 crore** has been proposed for the purpose.

41. Government Fish Farms will be upgraded for early breeding and rearing of fish fingerlings, modernization of Fish Landing Centres and construction of modern hygienic fish markets in urban centres of the State with an outlay of **Rs.100 Crore**.

42. **Input assistance** will be provided to **Women SHGs** for taking up pisciculture in Grama Panchayat tanks over an area of 10,000 acres with a provision of **Rs.38 Crore**. Marine fishermen will be supported for alternative livelihood activities during fishing ban period with provision of **Rs.21 crore** during 2022-23.

43. We have proposed an outlay of **Rs.177 crore** under the scheme '**Blue Revolution**' for integrated development & management of fisheries.

Animal Husbandry & Dairy

44. Animal husbandry and dairy sector provides employment to a large number of farmers for improving their living standards and contributes towards women empowerment. These sectors are important sources of income for rural families and provide a safety net during crop failure.

45. We have proposed **Rs.102 crore** under **Poultry Development scheme** to provide support for setting up of new broiler farm units, layer poultry farms in cage system, duck farms, backyard poultry units, mini poultry feed units and small scale poultry hatches during 2022-23.

46. Over 500 farmers will be supported for setting up of small sheep and goat units & 2,500 WSHGs will be supported for setting up semi commercial Goat units with a Budget Provision of **Rs.37 crore** during the year 2022-23.

47. We have provided **Rs.112 crore** under the scheme '**Rashtriya Pashudhan Vikash Yojana-White Revolution**' for the development of dairy and livestock management. An amount of **Rs.28 crore** has been provisioned under RIDF for the establishment of 5 lakh **LPD Dairy Plant by**

OMFED. Rs.15 crore has been provisioned to provide financial assistance to support **new goshalas** for taking care of the stray cattle population.

48. We have proposed **Rs.241 crore** under **Livestock Health and Disease Control** programme during 2022-23. In order to provide doorstep veterinary services, 314 Mobile Veterinary Units are operational in all blocks of the State and **Rs.19 Crore** has been provisioned for the purpose.

49. A sum of **Rs.18 crore** has been proposed for the Artificial Insemination Programme so as to improve the genetic quality of cattle for enhancing milk production. A provision of **Rs.8 crore** has been made for strengthening of the Block Veterinary Offices in order to continue the delivery of Animal Husbandry services at the Block level. Besides, a provision of **Rs.35 crore** has been made for training and capacity building in Animal Husbandry.

Agriculture and Allied Sector through convergence

Hon'ble Speaker Sir,

50. 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.21,166 crore** in 2022-23.

51. Attempts have been made for generation of employment opportunities for unskilled labourers in terms of taking up agriculture, horticulture, fishery, and livestock-related programmes on a large scale under the scheme MGNREGA. Therefore, emphasis will be on accessing **MGNREGA** funds through convergence mode to enhance activities in this sector. Besides, convergence is being made through **Odisha Mineral Bearing Areas Development Corporation (OMBADC)** and

District Mineral Fund (DMF) to create irrigation potential and livelihood improvement in the mining affected villages.

52. Agriculture is the best weapon against hunger and poverty. It has also been the single largest source of sustenance for billions of people in our country. Agriculture is not only a means of food production but also a major source of skilled and remunerative employment leading to economic prosperity. In this context, I would like to recite a few lines of Swabhab Kabi Gangadhar Meher in praise of agriculture and farmers:

ନ ଦିଅ ମାନବ କପାଳର ଦୋଷ,
ପୁରିଅଛି ପୃଥିବୀ ଚଷି ପେଟ ପୋଷ; ...
... କୃଷି କଲେ ଉନ୍ନତ ସକଳ ଉନ୍ନତି,
କୃଷି ବିନା ନା କାନ୍ଧ ନା ପଛା କାହିଁବା ଅନ୍ୟ ଗତି ହେ ।

With these words, I dedicate this **Agriculture Budget** to the people and farming community of our State for their growth, prosperity and development.

