



GOVERNMENT OF ODISHA

Speech of
Shri Niranjana Pujari
Minister, Finance

in the
Odisha Legislative Assembly
on the occasion of presentation of

the Vote on Account
for the
Financial Year 2022-23

30th March, 2022

Hon'ble Speaker Sir,

Rising above the ordinary, surpassing expectations and staring at enormous challenges with rare grit and determination has been the hallmark of our Government led by our beloved Chief Minister Shri Naveen Patnaik. The clarity of his vision, warmth of his demeanour and his steadfast belief in prioritizing welfare of the common man and the inspiration he evokes is a matter of pride and pleasure for all the people of our State. It is my honour and privilege to present the Vote-on-Account Budget for the year 2022-23 in this August House.

2. We are grateful to the People of the State for having reposed their faith on us in the recently held Rural and Urban Local Bodies Election. The visionary leadership of our beloved Chief Minister Shri Naveen Patnaik and his mantra of transformative governance has been the driving force behind the enormous faith and support of the people of Odisha during the Panchayat and Municipal Elections. We accept the wishes of the people with humility and with a great sense of responsibility. This has motivated us to continue with our vision of building a “New Odisha – Empowered Odisha” with focus on transforming service delivery institutions and infrastructure in health, education and skill development sectors, providing livelihoods and employment opportunities, higher capital spending, promoting cluster-based industries to the next level and safeguarding the vulnerable and weaker sections of the society.

3. We have been successful in managing successive waves of COVID by foresight, planning, effective use of technology, advice from experts and participation of the people. We have immediately responded to the challenges with utmost precaution and preparedness. We have ensured safety of the people by administering more than 6 crore doses of vaccine in the State. I express my heartfelt gratitude to all the frontline workers, officers and staff of various Government Departments and voluntary organisations

who have strived hard for this, and also to the people's representatives and citizens for their co-operation.

4. While managing the pandemic with utmost caution, our priority has been to balance livelihood and growth with focus on inclusive development. Our Government is following the spirit of democracy – Government of the people, by the people and for the people, and has taken steps to deliver services and benefits of Government schemes at the doorsteps of people. Our Government has implemented “Mo Sarkar” which is a technology based, transparent and people friendly initiative. This has avoided needless visit of the public to the Government offices and enforced the dignity of being the common man in democracy.

Overview of State's Economy –

5. The year 2022 began with the spread of the new Omicron COVID-19 variant leading to mobility restrictions across regions. Rising energy prices and supply disruptions both due to continuing waves of pandemic and war scenario in Europe have resulted in higher and more broad-based inflation and will affect the growth and also household incomes in medium term.

6. This has pushed the global economy into a weaker position than previously expected. The recent outbreak of war between Russia and Ukraine has further worsened the situation and emerged as a potential risk to disrupt the global economic order and prices of crude oil. While global factors are turning adverse, domestic growth drivers are gradually improving. As per RBI's growth forecast, real GDP growth of India is projected at 7.8 percent for 2022-23. Odisha's economy is projected to do much better than the national economy. In spite of the above adversities, Odisha economy is expected to register growth in the range of 9.0 to 9.5 percent in 2022-23. Our focus on industries as well as MSME sector, social sector, employment generation, and higher investment in infrastructure is likely to help the State economy register a nominal growth of beyond 12 percent in 2022-23.

7. Under the visionary leadership of our Hon'ble Chief Minister, Shri Naveen Patnaik, Odisha has been following the development model of inclusive prosperity. Rapid economic growth is an important goal for us; but equally important is to ensure that benefits of growth are widely shared and percolate down to the lowest levels. The development in the State has been accompanied by faster reduction in poverty as well as regional disparity. Increased participation of the vulnerable and disadvantaged communities in the growth process has improved their lives and livelihood.

8. Investment in both social and economic sectors is the key driver of the Odisha Model of Development and Governance. Our strategy is focused on providing better and quality delivery of public services and amenities, continuing ongoing development programmes and activities with wider beneficiary coverage and completion of incomplete projects. We are one among few pioneer States to have formulated **SDG Budget** and **State Indicator Framework** linking each Goal to specific schemes. No doubt we have developed in leaps and bounds during the past two decades in each and every aspect of socio-economic development of the State. There is, however, need for consolidation of efforts and carry forward the development agenda and programmes in the coming years.

9. Better management of State Finances combined with fiscal marksmanship has been the hallmark of our State. From a chronic debt stressed State, we have achieved debt sustainability. Our own revenue as percentage of GSDP has almost doubled during the last two decades. We have been continuously achieving revenue surplus since 2005-06, thereby making available additional resources along with the entire borrowing for development purposes and capital outlays. During 2021-22, we have significantly increased mining revenue through effective renewal of mining leases. This has reduced our dependence on Central transfers with State's own revenue contributing about 58percent to the total revenue pool.

10. It is obligatory on my part to indicate as to why we are presenting a Vote-on-Account Budget. As you all know, the General Elections to Panchayati Raj Institutions and Urban Local Bodies were held during February and March, 2022. The Model Code of Conduct was in force during the period after announcement of the elections. This resulted in time constraint for completing the entire legislative process that inter alia includes presentation of the Budget to deliberation on proposals by the Hon'ble Members and passing of the Appropriation Bill before 31st of March. 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 2022-23 on existing establishment, schemes and projects.

11. Before presenting the Budget Estimates and Vote on Account 2022-23, let me outline the Revised Estimates for the current financial year. In the Revised Estimates for 2021-22, the total expenditure from the Consolidated Fund is estimated at ₹1,65,000 crore. Total Revenue Receipt is estimated at ₹1,41,396 crore and Revenue Expenditure at ₹1,20,365 crore. Thus, Revenue surplus is estimated at ₹21,031 crore in the Revised Estimates for 2021-22. The fiscal deficit is estimated to be contained at ₹2,455 crore which would be 0.38percent of GSDP.

12. As Union Government has already presented the Union Budget, 2022-23, 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 Budget for estimation of resources for the year 2022-23.

13. Total Administrative expenditure is estimated at ₹89,620 crore in 2022-23 including ₹29,248 crore for salaries, ₹18,221 crore for pension, ₹8,467 crore for interest payment and ₹5,856 crore for maintenance of capital assets.

14. Total Programme expenditure outlay for the financial year 2022-23 will be ₹1,10,000 crore. This includes an outlay of ₹1,00,000 crore for the Government sector and ₹10,000 crore for the Public Sector Undertakings and other extra budgetary resources. The proposed programme budget size for 2022-23 is 33percent higher than that of 2021-22.

15. The outlay for Disaster Response Funds will be ₹3,210 crore. Transfers from State to the Local Bodies will have an outlay of ₹7,170 crore.

16. Thus, the Budget Estimates for 2022-23 envisage an expenditure of ₹2,00,000 crore. The capital outlay in 2022-23 is ₹40,011 crore, which is about 5.6 per cent of GSDP. This is a 56percent jump over current year's allocation. Additionally, loans and advances, grants for creation of capital assets and other expenditure for capital formation together account for more than ₹51,799 crore, which is about 7.2 percent of GSDP.

17. Revenue Receipt of the Financial Year 2022-23 has been worked out at ₹1,63,967 crore and the Revenue Expenditure has been estimated at ₹1,44,349 crore. The estimated revenue surplus is of the order of ₹19,618 crore, which would be 2.7 percent of GSDP. The estimated fiscal deficit of ₹21,588 crore would amount to 3 percent of GSDP.

18. Keeping in view various needs and aspirations of the people, our popular government under the leadership of Hon'ble Chief Minister is committed to social and economic upliftment of the poor and downtrodden section of the society. Some of the key focus areas of the Government in the budget are:

ACCESSIBLE QUALITY HEALTHCARE FOR ALL

19. During the pandemic when the economically advanced states were struggling for providing beds, oxygen and basic health care facilities, Odisha showed the way as to how the Government and the Private sector can work in unison in Health sector. Hon'ble Chief Minister's words "Every Life is

Important” and “4.5 Crore Odia people are my Family” have set the tone for Health Sector transformation.

20. Our intervention in the health sector is multipronged. With guidance from Hon’ble Chief Minister, we are strengthening the health care from primary level to tertiary level. There is provision of ₹12,241 crore for overall health spending of the State Government which is 6.1 percent of the total size of the Budget during 2022-23. 10 new Medical Colleges have been set up in the last 5 years taking the total number of Medical colleges to 13, and in coming years around 2000 MBBS doctors will be graduating every year. We have also more than doubled the sanctioned strength of Nurses and Paramedic staff during the last 5 years.

21. The Biju Swasthya Kalyan Yojana has been a path breaking programme of our Government to provide universal health coverage with special emphasis on health protection of vulnerable families and women. The scheme extends cashless health care to about 96 lakh families. An amount ₹1,864 crore has been provided under the scheme for supply of free medicine, diagnostic services and reimbursement of claims of private hospitals for providing cashless treatment to all the patients (BSKY card holders) in the Budget Estimates for 2022-23. We are laying much emphasis on creation and expansion of health care infrastructure across the State, so that delivery of health care services can be made easily accessible to the people across all regions. There is provision of an amount of ₹2,335 crore under Mukhya Mantri Swasthya Seva Mission and ₹312 crore under the scheme Human Resources in Health and Medical Education.

MISSION SHAKTI: A MOVEMENT

22. The flagship programme Mission Shakti focuses on women’s Self-Help Group (WSHG) movement, involving 6 lakh women Self-Help Groups (SHGs) with 70 lakh women as members in Odisha. The success of this programme has culminated in formation of a separate Department of Mission Shakti

comprising all SHGs programmes under one wing. This Department has become functional since 1st June, 2021. The journey of Mission Shakti from a programme to a Directorate and, then, to a dedicated Department is a testimony to the commitment of Hon'ble Chief Minister to the cause of women's empowerment in Odisha over the last two decades.

23. Provision of ₹2,000 crore has been made for different activities under the overarching Mission Shakti programme during 2022-23, which includes ₹1,039 crore under the National Rural Livelihood Mission (NRLM), ₹773 crore of Financial Assistance to WSHGs & their Federations and ₹176 crore for Construction of Mission Shakti Gruha. To ensure last mile delivery of banking services in unbanked and under-banked Gram Panchayats, women SHG and Federation Members are now being engaged as Business Correspondent Agents (BCAs). It is reassuring that by end of February, 2022, total 2203 women SHGs have been operating as BCAs with financial transaction of more than Rs.800 crore during 2021-22.

TRANSFORMING EDUCATION:

24. Hon'ble Speaker Sir, transforming education sector has been one of the priorities of our Government. We are using Information Technology to provide quality education to the poorest of the poor. We are making massive infrastructural haul up in the Schools and colleges through Mo School and Mo College Abhiyan which is unique in the Country.

25. "Mo School Abhiyan" and "Mo College Abhiyan" are one of their kind initiatives in the country in fostering a Citizen-Government Partnership that plays a pivotal role in developing the educational eco-system in Odisha. We are also establishing one Odisha Adarsha Vidyalaya (OAV) in every block of our State so as to provide world class education to the most promising students in rural areas. ₹26,492 crore has been provided under the education sector during 2022-23, which include ₹521 crore under Mo School Abhiyan, ₹439 crore for Smart Class Rooms in selected 100 schools of excellence, ₹1,109

crore of GIA to Non-Government High Schools, ₹420 crore for Odisha Adarsha Vidyalaya, ₹1,283 crore of GIA to Non-Government Colleges, ₹3,552 crore under Samagra Sikshya, ₹165 crore for Infrastructure Development of Universities and Colleges, ₹258 crore for Strengthening of Higher Education in Odisha under the World Bank project, and ₹182 crore under Rashtriya Uchchatar Shiksha Abhiyan (RUSA).

AGRICULTURE & ALLIED SECTOR

26. We organized the first ever Odisha Agri Conclave during October, 2021 to link farmers of Odisha to organised national market, with the objectives of removing intermediaries and improving the income of farmers. The Odisha Millet Mission was launched in 2017 as part of our beloved Chief Minister Shri Naveen Patnaik's visionary plan of promoting these climate resilient and nutritionally rich crops in 85 blocks spread over 15 districts in convergence with District Mineral Foundation (DMF). Now, the United Nations have declared 2023 as the International Year of Millets in recognition of these nutrient-rich crops. This has opened new opportunities for millet growers of our State.

27. There is provision of ₹20,344 crore for different schemes in Agriculture and Allied Sector during 2022-23. This includes ₹1,874 crore of direct benefit transfers under KALIA Scheme, ₹300 crore of interest free loan for fertiliser and seed, ₹688 crore under Crop Production Management, ₹157 crore under Horticulture Development Programme, ₹161 crore of Grants to OUAT for research and education, ₹273 crore for Livestock Health & Disease Control Programme (LHDC), ₹182 crore for Intensive Aquaculture & Inland Fisheries Development, ₹87 crore for poultry development, ₹31 crore for dairy development, ₹907 crore of Interest Subvention, to Farmers, ₹600 crore of Premium Subsidy under PM Fasal Bima Yojana, ₹150 crore of Equity Support to Cooperative Banks, and ₹8,523 crore of total outlays for different schemes under Irrigation sector.

INDUSTRIES, MSME, SKILL DEVELOPMENT & START UPS:

28. Odisha is fast emerging as the “Manufacturing Hub of Eastern India”. The key focus of the Government is to promote industrial growth in diversified sectors in all districts of the State. Government have organised “Make in Odisha” conclave during 2016 and 2018 to attract investments. Proposals involving investment of around 8.5 lakh crore and employment potential of 3.5 lakhs have been approved and recommended by the State Government since 2015-16. With consistent coordination for land allotment, 240 companies have started projects amounting to investment of about ₹1.34 lakh crore and employment potential of about 1.7 lakh during the period.

29. Micro, Small and Medium Enterprise Sector has been contributing significantly to the economy of the state. So far about 5 lakh MSMEs have been established with an investment of nearly Rs.24,000 crore generating more than 18 lakh employment. Government has given thrust for promotion of food processing industries. Odisha Start-up Policy, 2016 envisages creation of enabling environment and supporting eco-system that facilitates at least 1,000 Start-ups in next five years in the State. It also encourages the incubators including sector specific ones aligning with the State’s strengths and requirements. Total allocation of ₹1,635 crore is proposed for 2022-23 (BE) for the sector for setting up world class infrastructure and incentivise the industries, MSME and Start-ups, which is about 37 percent increase over previous year’s allocation.

CAPITAL OUTLAY: THE PRIME MOVER OF THE STATE ECONOMY

30. Quality of public expenditure is of critical importance for us, since State Budget contributes around 25 percent to 30 percent of the Gross State Domestic Product. Higher capital outlay of 5.6 percent of GSDP of the State Budget with its multiplier effect would help in rapid and strong growth in the State economy, thereby creating better infrastructure, conducive to industries, entrepreneurship, job creation and sustainable urban development. Provisions under the major State Sector Schemes for

infrastructure development include ₹300 crore under Biju Expressway, ₹178 crore under State Capital Project (including Capital Road), ₹1,408 crore under Augmentation of Basic Amenities and Development of Heritage and Architecture (ABADHA) at Puri, ₹200 crore under Ekamra Khetra Amenities and Monuments Revival Action Plan (EKAMRA), ₹200 crore under Samaleswari Temple Area Management & Local Economic Initiative (SAMALEI), ₹150 crore for Integrated Development of Heritage, Monuments & Tourist Destinations, ₹1,688 crore under Biju Setu Yojana (BSY), ₹1100 crore under Pradhan Mantri Gram Sadak Yojana (PMGSY), ₹675 crore under Mukhya Mantri Sadak Yojana (MMSY), ₹150 crore for Connecting Unconnected Villages in Difficult Areas (CUVDA), ₹150 crore for Connection of Missing Road Links (CMRL) and ₹340 crore Transferred Road Improvement Programme (TRIP).

DRINKING WATER AND PROVISION OF URBAN AMENITIES:

31. We are assigning very high priority to provision of drinking water by saturating each rural household with tap water connection by 2024. It is worth mentioning that urban Odisha is a trend setter in the country in achieving universal coverage of tap-water connections. We target to achieve 100percent house connections in all the 114 towns and cities of the State during 2022.

32. We have provided ₹2255 crore for rural and urban water supply under the scheme BASUDHA, ₹6,000 crore under Jal Jeevan Mission in convergence with extra budgetary resources like OMBADC and DMF under the State Saturation Plan to fulfil the target. Outlay for urban amenities include ₹138 crore under Urban Sewerage Scheme, ₹334 crore under Odisha Integrated Sanitation Improvement Project, ₹251 crore under Urban Sanitation Scheme, ₹415 crore for Improvement of Urban Governance, ₹214 crore for town planning under New City Development, ₹250 crore under Swacchh Bharat Abhiyan, ₹200 crore under Smart City and ₹200 crore under Atal Mission for Rejuvenation and Urban Transformation (AMRUT).

33. Hon'ble Governor has already mentioned the details of important achievements of the State Government in his address to this august House. I do not want to burden you by repeating the same.

34. 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 ₹1,06,498 crore has been proposed in the Vote on Account for seeking approval of this august House to defray expenses during the first four months of the financial year, that is from April to July, 2022. This would cover 100percent of Budget Estimates for calamity and election related expenses and 50percent of Budget Estimates for all other schemes.

35. Our Government under the leadership of Hon'ble Chief Minister Shri Naveen Patnaik has been consistently making efforts for more than two decades 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 a **Vibrant Odisha**. I am confident that the vision and leadership of Hon'ble Chief Minister and support of the people of Odisha, will take us to greater heights by utilising the budgeted resources efficiently.

36. Once again, I express my sincere thanks to the Hon'ble Leader of the House, Hon'ble Leader of Opposition and all Hon'ble Members of this House for their kind co-operation, constructive suggestions and unstinted support. I also thank Hon'ble Speaker for giving me this opportunity to speak a few words while presenting this Vote-on-Account Budget for the year 2022-23. Now, I end my speech by offering my prayers for peace, prosperity and wellbeing of the people of Odisha.

Vande Utkal Janani

Jai Hind!