

Highlights of Budget Estimates (VoA) for 2019-20

Today on 7th February, 2019 Hon'ble Minister, Finance Sri Shashi Bhusan Behera presented a welfare, growth, development and investment oriented Budget (Vote-on-Account) for 2019-20 in the Odisha Legislative Assembly with an outlay of ₹1,32,660 crore, which is about 10.4% more than the Annual Budget, 2018-19.

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 proposed 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.

The comparative position of the outlays for 2018-19 (BE) and 2019-20 (BE) (VoA) are as follows:

(₹ in crore)			
Sl. No	Item	2018-19 (B.E.)	2019-20 (B.E.)
1.	Administrative Expenditure	50761	58,170
2.	Programme Expenditure	62,000	66,000
3.	Disaster Response Fund	1,865	2,000
4.	Transfers from the State	5,402	6,490
	Total	1,20,028	1,32,660

To defray the expenditure on existing establishments and continuing schemes and projects from April to July, 2019, 100% of BE for calamity and election related expenses and 40% of BE for all other schemes may be taken in the Vote on Account (VoA) which is estimated at **₹56,921 crore**.

1. Qualitative Aspects of the Budget

- ❖ The outlay of **₹66,000 crore** for Programme Expenditure.
- ❖ The allocation for Agriculture and Allied sectors in this Budget has been substantially enhanced to **₹19,557 crore** in 2019-20.
- ❖ Allocation of **₹19,911 crore** for Education and Skills sector.

- ❖ Allocation of **₹6708 crore** for Health sector.
- ❖ Investment of about **Rs.2,935 crore** for Piped Water Supply Projects.
- ❖ Allocation of **Rs.22,044 crore** for development of SCs and STs for identified Schemes in the Programme budget.
- ❖ Outlay for development expenditure is more than 75% of total budget.
- ❖ Tax GSDP Ratio for 2019-20 (BE) would be 6.1%.
- ❖ Revenue surplus projected at 1.6% of GSDP.
- ❖ Fiscal Deficit kept within the prescribed limit of 3% of GSDP.

Department-wise allocation

(₹ in crore)

D. No.	Department	Administrative Expenditure	Programme Expenditure	Disaster Response Fund	Transfer from State	Grand Total
1	Home Department	4,529.54	761.03	-	-	5,290.57
2 & 18	General Administration and Public Grievance Department	202.36	202.00	-	-	404.36
3	Revenue And Disaster Management Department	983.60	146.61	-	-	1,130.21
4	Law Department	413.26	27.77	-	-	441.03
5	Finance Department	28,820.35	-	-	-	28,820.35
6	Commerce Department	74.39	18.95	-	-	93.34
7	Works Department	1,551.90	2,527.30	-	-	4,079.20
8	Odisha Legislative Assembly	80.17	-	-	-	80.17
9	Food Supplies and Consumer Welfare Department	76.26	1,057.89	-	-	1,134.15
10	School and Mass Education Department	10,280.83	6,119.17	-	-	16,400.00
11	Scheduled Tribes & Scheduled Castes Development, Minorities & Backward Classes Welfare Department	750.31	2,880.18	-	-	3,630.49
12	Health and Family Welfare Department	2,391.48	4,316.04	-	-	6,707.52
13	Housing and Urban Development Department	626.45	3,041.97	-	1,910.27	5,578.69
14	Labour & Employees' State Insurance Department	106.51	49.19	-	-	155.70
15	Sports & Youth Services Department	35.31	226.00	-	-	261.31
16	Planning and Convergence Department	51.78	1,172.07	-	-	1,223.85
17	Panchayati Raj and Drinking Water Department	397.96	10,921.17	-	4,579.73	15,898.86
19	Industries Department	5.22	232.17	-	-	237.39

(₹ in crore)

D. No.	Department	Administrative Expenditure	Programme Expenditure	Disaster Response Fund	Transfer from State	Grand Total
20	Water Resources Department	1,266.61	8,446.82	-	-	9,713.43
21	Transport Department	109.20	490.37	-	-	599.58
22	Forest & Environment Department	485.96	386.57	-	-	872.53
23	Department of Agriculture and Farmers' Empowerment	839.22	6,713.05	-	-	7,552.27
24	Steel & Mines Department	62.72	59.52	-	-	122.24
25	Information & Public Relations Department	52.83	52.50	-	-	105.33
26	Excise Department	119.81	10.00	-	-	129.81
27	Science & Technology Department	14.44	55.48	-	-	69.92
28	Rural Development Department	1,267.99	4,110.30	-	-	5,378.29
29	Parliamentary Affairs Department	58.32	0.04	-	-	58.36
30	Energy Department	30.17	1,628.21	-	-	1,658.38
31	Handlooms, Textiles & Handicrafts Department	62.82	120.00	-	-	182.82
32	Tourism Department	15.40	168.10	-	-	183.50
33	Fisheries & Animal Resources Development Department	443.07	451.52	-	-	894.59
34	Co-Operation Department	127.71	1,273.20	-	-	1,400.91
35	Public Enterprises Department	3.37	5.00	-	-	8.37
36	Department of Women & Child Development and Mission Shakti	23.62	3,290.69	-	-	3,314.31
37	Electronics & Information Technology Department	5.30	113.60	-	-	118.90
38	Higher Education Department	1,312.41	1,062.93	-	-	2,375.34
39	Skill Development & Technical Education Department	322.55	394.49	-	-	717.04
40	Micro, Small & Medium Enterprises Department	72.26	120.21	-	-	192.47
41	Department of Social Security & Empowerment of Persons with Disability	62.17	3,101.75	-	-	3,163.92
42	Disaster Management	3.52	103.06	2,000.00	-	2,106.58
43	Odia Language, Literature and Culture Department	30.85	143.05	-	-	173.90
	Grand Total	58,170.00	66,000.00	2,000.00	6,490.00	1,32,660.00

2. Sectoral Highlights

A. Focus on farmers and farmers' welfare:

- ❖ Allocation of **₹19,557 crore** to Agriculture and allied activities. Rise of 173% when the first Agriculture Budget was presented in 2013-14 with outlay of **₹7,162 crore**.
- ❖ The outlay for the Agriculture Budget is about 16.7% more than the outlay for the previous year and it is about 14.7% of the total outlay proposed to be provided in the Budget Estimates for 2019-20.
- ❖ Outlay of **₹4461 crore** under the scheme Krushak Assistance for Livelihood and Income Augmentation (**KALIA**) for all-round welfare of farmers.
- ❖ **₹800 crore** has been provided towards Interest Subvention on crop loans to Co-operative as well as Commercial Banks.
- ❖ **₹260 crore** for Corpus Fund for procurement and distribution of quality seeds and fertilizers to the farmers.
- ❖ **₹295 crore** is provided for undertaking Farm Mechanisation Programme of the State Government.
- ❖ Allocation of ₹285 crore is made under National Mission on Agriculture Extension and Technology to enable delivery of appropriate technology and improved agronomic practices to the farmers.
- ❖ Allocation for ₹100 crore has been made under National Horticulture Mission to promote horticulture, floriculture and spices.
- ❖ Allocation of ₹400 crore is made towards the State's share for the premium for Pradhan Mantri Fasal Bima Yojana to provide quick relief and adequate compensation to the farmers.
- ❖ ₹63 crore has been proposed for development of Brackish Water Aquaculture, Marine Fisheries, Intensive Aquaculture and Inland Fisheries.
- ❖ ₹83 crore is provided under Blue Revolution to undertake different activities such as fish seed rearing centres, integrated development of reservoirs, rejuvenation of water bodies and capacity building of fish farmers.
- ❖ **₹68 crore** provided under the umbrella scheme of '**White Revolution**' for development of dairying and livestock management.

B. Food security:

- ❖ 23 lakh additional beneficiaries have been provided 5 Kg rice per month per beneficiary at the rate of ₹1 per Kg under State Food Security Scheme. Provision of **₹1028 crore** for distribution of rice @ ₹1/- per kg under the Scheme.

C. Social security measures:

- ❖ **₹2120 crore** is provided under **Madhubabu Pension Yojana** for Old Age, Widow and Disability Pensions at enhanced rate of ₹500 per month for beneficiaries below 80 years of age and @₹700 per month for beneficiaries above 80 years of age. About 48 lakh beneficiaries are covered under the scheme.
- ❖ **₹863 crore** is provided under National Social Assistance Programme.
- ❖ **₹1,201 crore** is provided towards material component of MGNREGA as the wage component is directly transferred to the beneficiaries through DBT.

D. Health care for all:

- ❖ **₹864 crore** is provided under the scheme **Biju Swasthya Kalyan Yojana** for free Medical facilities with coverage upto ₹5 lakh per family in case of male members and upto ₹7 lakh per family in case of female beneficiaries.
- ❖ **₹578 crore** is provided under “**Mukhya Mantri Swasthya Seva Mission**” for infrastructure strengthening, emergency public health response and Digital Health Programme for providing basic health services in remote areas of the State through use of technology.
- ❖ **₹128 crore** is provided towards support to Medical Educational Institutions.
- ❖ **₹113 crore** is provided for “**Sishu O Matru Mrityuhara Sampurna Nirakaran Abhiyan (SAMPURNA)**” for accelerated reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR).
- ❖ **₹1,323 crore** is provided for National Health Mission.

E. Empowering women:

- ❖ **₹1,655 crore** has been spent so far for our Maternity Benefit Programme “**MAMATA**” with coverage of 35.69 lakh beneficiaries. Provision of **₹305 crore** is made under the scheme for the year 2019-20.
- ❖ **₹1,059 crore** is provided under ICDS scheme for the scheme which is being financed by the Centre and the State in the ratio of 60:40. Additional

provision of ₹351 crore is made towards State support for implementation of ICDS.

- ❖ **₹1,036 crore** is also provided under Supplementary Nutrition Programme (SNP).
- ❖ **₹58 crore** is provided under the new Scheme **Malatidevi Prak Vidyalaya Paridhan Yojana** for distribution of uniform for children undergoing Pre-school education.
- ❖ **₹301 crore** under the scheme **Mukhyamantri Mahila Sashaktikarana Yojana** towards financial assistance and other support to Women Self Help Groups and their federations under Mission Shakti.

F. Tribal development:

- ❖ **₹226 crore** for construction of hostels for ST girls and urban hostel complexes under the scheme AKANKSHYA.
- ❖ **₹959 crore** for pre-matric and post-matric scholarships.

G. Investing in Youth and promoting Sports:

- ❖ **₹105 crore** towards Biju Yuva Vahini nurturing leadership and volunteerism, promoting culture of sports & sportsmanship, healthy living among youth, establishing vibrant youth connect platform.
- ❖ **₹80 crore** for development & management of Sports infrastructure.
- ❖ **₹35 crore** Promotion of Sports Education and **₹4 crore** improvement of Sports facilities.

H. Education:

- ❖ **₹300 crore** is provided under **Odisha Adarsha Vidyalaya** to meet the establishment and running the schools.
- ❖ **₹2,550 crore** is provided for Samagra Sikshya and **₹844 crore** for Mid-day Meal Scheme all of which will have a State share of 40 per cent.
- ❖ In addition, ₹375 crore is provided towards State's support to Samagra Sikshya for implementation of Samagra Sikshya and ₹58 crore is provided as cooking cost for the Mid-day meals.
- ❖ Allocation for **₹239 crore** is made under the Gangadhar Meher Sikshya Manakbrudhi Yojana (GMSMY) to provide 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.

- ❖ A sum of **₹40 crore** is provided under **Mo School Abhiyan** for infrastructure development of schools. The Government will provide twice the amount donated by any person for various purposes such as science laboratory, library, sports etc.
- ❖ **₹40 crore** is provided for providing **Laptop to meritorious students** on their completion of higher secondary education.
- ❖ **₹150 crore** for infrastructure development of higher education institutions
- ❖ Allocation of **₹225 crore** is made under Rashtriya Uchatara Sikshya Abhiyan (RUSA) for improving the overall quality of State higher education and Technical Education institutions.
- ❖ A sum of **₹190 crore** is proposed for infrastructure development of Technological Universities and Engineering Colleges, Engineering Schools and Polytechnics and ITIs

I. Skilled in Odisha:

- ❖ A sum of **₹100 crore** will be provided under the ADB assisted Odisha Skill Development Project to bring up a World Skill Centre in Odisha and upgrade the ITIs and Polytechnics along-with advanced Skill Training Centres.

J. Rural Development

- ❖ **₹3,600 crore** is provided for rural housing through convergence of PMAY Gramin and Biju Pucca Ghar.
- ❖ Proposal of an outlay of **₹2,500 crore** for rural piped water supply and **₹435 crore** for urban piped water supply under **BASUDHA**.
- ❖ **₹400 crore** is provided for “Ama Gaon Ama Bikas” which includes creating awareness about different Government initiatives under Peoples’ Empowerment Enabling Transparency and Enhancing Accountability on Odisha Initiatives (**PEETHA**).
- ❖ **₹1,600 crore** for the rural component of Swachh Bharat Mission.
- ❖ Provision of **₹2,682 crore** is made for transfer to PRIs on the basis of the recommendations of 14th Finance Commission and **₹1,898 crore** on the recommendations of the 4th State Finance Commission.
- ❖ **₹2,900 crore** is provided under Pradhan Mantri Gram Sadak Yojana (PMGSY) for construction of roads.
- ❖ To ensure connectivity to the habitations not eligible under PMGSY, a sum of **₹50 crore** will be provided under Mukhya Mantri Sadak Yojana.

- ❖ **₹50 crore** is provided under the scheme **Connecting Unconnected Villages** to provide road connectivity to remotest and inaccessible villages of Left Wing Extremist (LWE) affected districts.
- ❖ **₹120 crore** is provided under Biju KBK Yojana for effective implementation of Bijli, Sadak and Pani projects in KBK Districts.

K. Increasing irrigation coverage

- ❖ A sum of **₹1,777 crore** has been allocated for **Parbati Giri Mega Lift Irrigation Scheme**.
- ❖ An outlay of **₹2,175 crore** has been provided in 2019-20 for 8 on-going AIBP Projects for which funding has been tied up from Long Term Irrigation Fund (LTIF) under NABARD.
- ❖ An outlay of **₹402 crore** has been provided for construction of check dams under Mukhya Mantri Adibandha Tiyaari Yojana - MATY.
- ❖ Allocation of **₹110 crore** is made to revive defunct L.I. points.
- ❖ **₹300 crore** is provided for Deep Bore Well Scheme, **₹400 crore** under **Biju Krushak Vikas Yojana** for community lift irrigation projects.
- ❖ A sum of **₹218 crore** has also been proposed for Agriculture Department to take up micro-irrigation under PMKSY.
- ❖ To minimize conveyance loss in canals, a sum of **₹210 crore** is being proposed under Canal Lining and System Rehabilitation Programme (CLSRP) to complete about 150 km of canal lining work.
- ❖ An outlay of **₹960 crore** has been provided for flood control and drainage work.

L. Investment in railway projects

- ❖ **₹400 crore** is provided for **development of Railway Projects** in the State.
- ❖ **₹10 crore** is provided for completion of railways projects of strategic importance through SPVs.

M. Industrial investment

- ❖ The outlay for Industries Department is increased substantially to **₹237 crore** which includes **₹188 crore** towards pending benefits under IPR
- ❖ Outlay of **₹183 crore** is made for **Handloom, handicrafts, sericulture and textile sector** and **₹192 crore** is provided for **MSME sector**.

N. Urban Development:

- ❖ **₹401 crore** is provided under the new scheme Urban Transformation Initiative (UNNATI) for improvement of urban infrastructure.
- ❖ Provision **₹125 crore** to upgrade the public transport system of Bhubaneswar on a PPP mode.
- ❖ Another **₹400 crore** is provided for construction of urban dwelling units. Thus, total **₹4,000 crore** is provided for housing sector.
- ❖ Provision of **₹2,935 crore** under BASUDHA Scheme include **₹435 crore** for urban piped water supply.
- ❖ Provision of **₹542 crore** is made for transfer to ULBs on the basis of the recommendations of 14th Finance Commission and **₹1,288 crore** on the recommendations of the 4th State Finance Commission.
- ❖ **₹400 crore** is provided under the CSS AMRUT and **₹52 crore** for National Urban Livelihood Mission.
- ❖ **₹136 crore** is provided under JICA assisted EAP for improvement of sewerage system in Bhubaneswar and Cuttack.
- ❖ **₹90 crore** for the urban component of Swachh Bharat Mission.

O. Infrastructure:

- ❖ **₹1300 crore** provided under Road Development Programme for construction and upgradation of roads in the State.
- ❖ **₹533 crore** is provided under Odisha Distribution System Strengthening Programme (ODSSP) for establishment of new 33x11 sub-stations.
- ❖ Provision of **₹100 crore** is made under State Capital Region Improvement of Power System (SCRIPS) to provide 24X7 uninterrupted stable power supply.
- ❖ Provision of **₹200 crore** for Double Laning of State Highways under State **Highway Development Programme (SHDP)**; **₹65 crore** for road Projects under PPP mode; **₹50 crore** for **Biju Expressway** to improve connectivity in Western Odisha and KBK districts; **₹250 crore** for Central Road Fund projects.
- ❖ **₹500 crore** is provided under Biju Setu Yojana for construction of bridges.

P. Disaster Management:

- ❖ **₹2,000 crore** is provided for Disaster Management including **₹909 crore** under SDRF and **₹1,091 crore** under NDRF.

3. FRBM Compliance for 2019-20 (BE)

- ❖ The estimated **Revenue Surplus** at **1.56 per cent** of GSDP has adhered to the FRBM limit of zero Revenue Deficit.
- ❖ The **Fiscal Deficit** is projected at **3 per cent of GSDP**.
- ❖ The **Interest Payment to Revenue Receipt (IP/RR) Ratio** is targeted at **5.87 per cent** which is below FRBM limit of 15 per cent.
- ❖ The outstanding **debt to GSDP ratio** at the end of FY 2019-20 is estimated at **19.20 per cent of GSDP** which is below the FRBM limit of 25 per cent.
- ❖ **The Budget for FY 2019-20 is FRBM compliant.**

4. Financial Management reforms

i) *Up-gradation of Integrated Financial Management System (IFMS-2.0)* : Odisha is one of the leading States in the country in implementation of Integrated Financial Management System (IFMS). The Odisha IFMS system is being up-graded to IFMS-2.0 to switch over to a complete paperless mode of Government transactions. It is expected that, in coming years, the State will move towards a complete paperless environment so far as financial transactions are concerned.

ii) *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 will greatly help Departments such as Revenue & Disaster management, Transport, Industries, Steel & Mines etc in promoting e-payments and ease of doing business.

iii) *Public Financial Management System (PFMS)* : Odisha is one of the leading States in implementation of Public Financial Management System (PFMS) to track last mile utilisation of funds through various Implementing Agencies. Integration of PFMS with the Odisha Integrated Financial Management System (IFMS) has been completed.

iv) *Electronic Processing of pension sanction and prompt settlement of Terminal Benefits of employees of Non-Govt. Aided Educational Institutions* : The pension papers of a retired Government Servant is now being processed electronically through IFMS for sanction. It has expedited the pension sanctioning process.

v) *"ARPAN" portal for online revision of pension* : "ARPAN" portal for online revision of pension was launched by the State Government in November, 2017. This intervention is providing hassle free service to the old pensioners.
