



GOVERNMENT OF ORISSA

Speech of  
**Shri Raghunath Patnaik**  
Finance Minister, Orissa  
Presenting the Budget Estimates  
For the year 1983-84  
**To the Orissa Legislative Assembly**

March 8, 1983

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***SHRI RAGHUNATH PATNAIK***

*FINANCE MINISTER, ORISSA*

*PRESENTING THE BUDGET ESTIMATES*

*FOR THE YEAR 1983-84*

***TO THE ORISSA LEGISLATIVE ASSEMBLY***

Sir,

I rise to place before this August House the State Government's Budget for 1983-84. The Annual Financial Statement and other Budget documents have already been supplied to the Hon'ble Members.

2. The year 1982-83 has been a very difficult year for all of us. There has been a succession of natural calamities like hailstorm, cyclone, flood and drought affecting almost all the districts of the State in varying degrees of intensity.

3. As the Hon'ble Members are aware, extensive relief operations have been undertaken on priority basis in the affected areas. We are thankful to our Prime Minister and the Government of India that they appreciated the magnitude of our problem and provided financial assistance for relief operations. Government of India have sanctioned Non-Plan ceiling of Rs. 166.90 crores for relief operations relating to drought, cyclone and flood, out of which we are required to meet Rs. 39.65 crores as our share from our own resources. This has, no doubt, cast a heavy burden on us, particularly in a year in which our resource base has been adversely affected on account of natural calamities. To tackle the drought situation, Government of India recently sanctioned a ceiling of Rs. 33.35 crores

mostly as advance plan assistance. The relief operations in various sectors are in full swing and the progress is being regularly monitored. Large-scale programmes of restoration and rehabilitation in areas affected by flood and cyclone have been undertaken. Special feeding programme has been started in drought affected blocks covering 6 lakh beneficiaries. Additional coverage of 5 lakh beneficiaries is also continuing in the areas affected by flood. Execution of labour intensive works and installation of tube-wells for drinking water have been taken up on top priority basis. The administrative machinery of the State Government has been fully geared to meet the demands of the situation.

4. In this background Sir, I would now place before the House some of the important features of the Revised Estimates for the current year and the Budget Estimates for 1983-84.

5. The Budget Estimates for the current year anticipated an opening balance of Rs. 7.68 lakhs. On the basis of actuals, however, the year opened with a deficit of Rs. 24.43 crores which has been made up by a medium term loan from Government of India. The Revised Estimates for 1982-83 include increased provision for payment of Additional Dearness Allowance to the employees of the State Government, local bodies and aided educational institutions, Leave Travel Concessions, and Incentive Allowance to employees working in the tribal sub-plan areas. Besides, in the Revised Estimates provision has also been made for additional Non-plan expenditure of Rs. 167.77 crores for relief operations connected with natural calamities. Out of this, Rs. 118.96 crores would be covered by a Non-Plan grant from Government of India. We had moved Government of India to extend a loan assistance to meet the State's share of expenditure on relief operations. The proposal has not been accepted

by Government of India so far. While our efforts will be on to mobilise additional resources by stepping up collection of arrears of revenues and loans from non-vulnerable sectors and economising non-plan and plan expenditure we will also persuade Government of India to re-consider our case for providing the loan assistance in view of the adverse effects of natural calamities on the resources of the State during the current year. Taking into account additional loan assistance of Rs. 39.65 crores from Government of India for relief operations it is estimated that the year would close with a nominal cash surplus of Rs. 4.99 lakhs.

6. The Budget for 1983-84 envisages revenue expenditure of Rs. 584.88 crores in the Non-Plan account including provision of Rs. 21.43 crores towards spill-over expenditure on account of relief operations for floods of September, 1982, Rs. 89.60 crores as interest payment on debt obligations of the State, Rs. 10.74 crores towards upgradation of standards of administration in the sphere of administration of Justice, Revenue and District administration, Tribal, Police and Jail administration and payment of incentive allowance to employees working in Tribal Sub-plan areas. An amount of Rs. 35 lakhs has been provided for modernisation of Police and Rs. 4.67 crores on account of rebate on sale of handloom and cheap cloth. Provision on continuance of administration and service facilities has been estimated at Rs. 458.09 crores. Of this, Education accounts for Rs. 138.90 crores followed by Police, and Health and Medical Care at Rs. 38.22 crores and Rs. 27.72 crores respectively.

7. The Non-Plan Capital Account will have a surplus of Rs. 22.46 crores after meeting the Non-Plan Capital Outlay disbursements including repayment of loan.

8. The size of the State's Annual Plan for 1983-84 has been fixed at Rs. 345 crores. Of this, the State Budget reflects a provision of Rs. 298.62 crores and the balance amount

of Rs. 46.38 crores which relates to the Public Sector Undertakings and Urban Local Bodies is outside the Consolidated Fund of the State. The sectoral allocation of the Plan Outlay is as follows :

	Rs. in crores	Percentage to total
(i) Agriculture and Allied Sectors including Co-operation.	80.24	23.26
(ii) Water and Power Development.	172.70	50.06
(iii) Industry and Mining ..	22.98	6.66
(iv) Transport and Communication.	20.15	5.84
(v) Social Services ..	47.08	13.64
(vi) Economic and Miscellaneous Services.	1.85	0.54
<b>Total ..</b>	<b>345.00</b>	<b>100.00</b>

The plan provision will be supplemented by Rs. 14.73 crores to be received as Special Central Assistance for Tribal Development Programme and Rs. 1.55 crores as advance plan assistance for drinking water supply in flood-affected areas from Government of India. The total outlay on the State Annual Plan is thus over Rs. 361.28 crores.

9. Besides the Budget also envisages an outlay of Rs. 51.00 crores in the Central Plan which includes Rs. 5.20 crores under the Special Component Plan for development of Scheduled Castes; and Rs. 42.00 crores under the Centrally

Sponsored schemes. This total requirement of Rs. 93.00 crores is fully reimbursible by Government of India and N. C. D. C.

10. I will now mention briefly some of the major programmes in different sectors.

11. Agriculture and allied activities which set the pace for the State's economic development, contribute about 65.66 per cent of its income and provide employment to about 75 per cent of its working population. These activities have received a setback during the current year due to occurrence of a series of natural calamities. To mitigate the distress of the cultivators, 12,780 tonnes of seeds have been supplied at subsidised rates during the khariff season. During rabi, programme is on for supply of seeds to the extent of 25,945 tonnes. The number of sale centres for fertilizer has been substantially increased and sale has been linked with agricultural credit. Programmes for production of pulses and oil-seeds have been intensified. Marginal paddy lands have been diverted for non-paddy crops and dry land farming practice has been advocated. 3.68 lakh minikits have been distributed free of cost to the farmers. For the year 1983-84 we have programmed to achieve production of 71.38 lakh tonnes of foodgrains. We have also the target for production of 12.25 lakh tonnes of pulses, 9.44 lakh tonnes of oil-seeds, 9.45 lakh bales of jute and mesta, 46.10 lakh tonnes of sugarcane through a larger coverage of fallow lands under different crops, suitable cropping pattern in irrigated and rainfed areas and wider application of latest technology. Co-operative credit of the order of Rs. 140 crores will be made available for agriculture.

12. In Animal Husbandry and Dairy Development Sector planned livestock development is being undertaken through scientific breeding, better feeding and management practices

with better health care. Efforts are being made for increased production of livestock products such as milk, eggs, poultry, etc. For all round dairy development in the districts of Cuttack, Puri, Keonjhar and Dhenkanal, Operation Flood II programme is being implemented by Orissa State Co-operative Milk Producers' Federation Ltd. with assistance from International Development Association through Indian Dairy Corporation.

13. The strategy for development of fisheries covers important programmes like intensification of induced breeding, development of marine fishing by the Fishermen Co-operative Societies, development of brackish water fishery and provision of extension services for traditional inland and marine fishermen. Fish Farmers Development Agencies in 9 districts will continue to undertake renovation of tanks, supply of inputs and impart training to fish farmers. The Orissa Fish Seed Development Corporation has taken up construction of a hatchery at Binka in Bolangir district under World Bank Inland Fisheries Project. Production in the hatchery will be started during 1983-84. A brackish water fish farm at Inchudi is under construction with Central assistance. A new programme for development of brackish water fisheries by establishment of two brackish water fisheries development agencies is proposed to be taken up during 1983-84. Subsidy will be given to private fish farmers for brackish water fish farming and prawn culture in 60 hectares of water area. It is expected that fish production, both inland and marine, will be of the order of 1,03,000 tonnes at the end of 1983-84.

14. In conformity with Government's policy of "Development without destruction", for the year 1983-84 a target of 10,800 hectares plantation, 1,000 hectares rehabilitation and distribution of 95 lakh seedlings has been fixed under State Plan Schemes including Rural Fuel Wood Plantation. In addition, an area of 3,400 hectares is proposed to be planted

and 1,000 hectares rehabilitated under Central Plan Schemes. Exploitation of forest produce being a major source of revenue, the system of contracting away forest coupes has been abolished with effect from 1st October, 1982. Timber and fire-wood coupes are now being worked by the Orissa Forest Corporation/Similipahar Forest Development Corporation or Departmental agencies. Departmental working of timber has been taken up in Angul Division. Departmental working of bamboos has been taken up in parts of Jeypore Division. Government have already nationalised collection of sal seeds from 9-12-1982 for the benefit of the tribal population who were otherwise being exploited by the private traders.

15. For Agriculture, Co-operation and allied activities including Minor Irrigation the Budget provision for 1983-84 has been kept at Rs. 80.24 crores as against Rs. 71.50 crores of the current year.

16. Irrigation holds the key to development of agriculture. Our programme for increasing irrigation facilities in the State lays emphasis on completion of ongoing projects and taking up new projects in the drought-prone and tribal areas. The State Plan outlay of Rs. 70 crores for Major and Medium Irrigation Projects in 1982-83 has been stepped up to Rs. 78.50 crores in 1983-84. In the Central Plan sector the outlay envisaged for the next year is of the order of Rs. 8 crores. The target of irrigation potential to be created during the next year is 40.70 thousand hectares in Khariff and 25.55 thousand hectares in Rabi. More than 62 per cent of the total irrigation outlay for the next year will be spent on irrigation projects situated in the drought-prone and tribal areas.

17. Since electricity plays a vital role in industrial development it occupies a higher position in our scheme of priorities. One of the units of the Talcher Thermal Power



Station Expansion Programme has since been commissioned and the other is likely to be commissioned soon. The State Plan allocation for the next year for power sector is Rs. 91.20 crores inclusive of Rs. 44.39 crores for the State Electricity Board. Out of the projects under execution the first units of Rengali and Upper Kolab are likely to be commissioned towards later part of 1984 and balance three units in 1985. Besides, an additional generating unit with installed capacity of 37.5 M. W. and firm capacity of 13 M. W. will be established in Hirakud. The project reports of the Super Thermal Station with installed capacity of 2800 M. W. at Talcher and feasibility report of Bhimkund Hydro-Electric Project are under consideration of Government of India. Our proposal for a Thermal Power Station in Sambalpur district with coal linkage of Ib Valley is with Central Electrical Authority for technical clearance. Our target is to electrify 1,205 villages and energise 9000 pumpsets during 1983-84.

18. Hon'ble Members are well aware of our deep commitment to the policy of rapid industrialisation of the State with the objective of creating more jobs for the people and speedy economic development of the State. The Industrial Policy which was implemented from 1st August, 1980 has created an industrial climate in the State for quick industrial growth recording significant achievements in the industrial sector. 41 projects promoted by Industrial Promotion and Investment Corporation Ltd., have already gone into production. 88 numbers of large and medium industries involving an outlay of Rs. 202.13 crores are being implemented, and 195 industries with an investment of 1205.21 crores have been identified for implementation. The Industrial Development Corporation has commissioned three of its projects, i. e., Properzi Plant at Hirakud, Spun Pipe Plant at Barbil and Orichem (a joint sector project) at Talcher. It proposes to commission the Sonepur

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Spinning Mill, Baripada Spinning Mill, Expansion of Cement Mill at Bargarh, Boiler Piping Plant at Chandaka and Cables Project at Baripada during 1983-84. The Industrial Infrastructure Development Corporation has taken up construction of 514 sheds. Already 376 sheds have been completed and the rest will be completed by June, 1983. For the year 1983-84 it has a programme to construct 156 sheds and 900 houses and develop 675 acres of land. We have a programme to set up 2,800 small-scale industries during the current year out of which 1,655 units have already been established.

A new Engineering College at Talcher and under-Graduate Degree Course in Electrical Engineering in O. U. A. T. in addition to Mechanical and Civil disciplines have been started. A Polytechnic offering diploma course in 5 disciplines has been set up at Talcher and a diploma course in Textile Technology started.

Members are aware that three new big Central Projects are being implemented in the State. NALCO Project is progressing steadily. Work of Paradeep Phosphate has also started in full swing. Preliminary work like site development, land acquisition has started for the proposed Steel Plant at Daitari.

19. Out of the target of one lakh looms for the 6th Plan, 64,540 looms have been covered by Co-operatives and production centres of the Handloom Development Corporation, and 22,726 looms have been modernised. To assist the scheduled caste weavers a special scheme is also being implemented. The programme for assisting rural artisans by providing them with improved tools, raw materials, credit and training facilities will continue. Special schemes for development of sericulture in tribal areas are being implemented.

20. Work on Charge-chrome Project in collaboration with foreign agencies has already been started and construction of the civil portion of the project has commenced. The plant is

likely to go into production during 1985. Investigation as per programme finalised by the State and Central Geological Programming Boards has helped in locating additional resources of coal, fireclay, limestone, etc. during the current year. The investigation, among others for coal, limestone, fireclay, chromite, graphite and tin will be intensified during 1983-84.

21. In the Budget for 1983-84 an outlay of Rs. 22.98 crores has been envisaged for Industries and Mineral Development as against Rs. 15.88 crores of the current year.

22. The major thrust areas in our Education Plan are elementary education, adult literacy programme and improvement of the existing facilities of secondary and higher education. Our programme of action for the next year includes consolidation and improvement of the existing elementary educational institutions, curricula and teachers training facilities, continuance of a large number of adult literacy and non-formal educational centres. In the field of secondary and higher education emphasis has been laid on diversification and vocationalisation of courses and qualitative improvement of teaching and research. Provision has also been made to provide educational facilities for a larger number of students qualifying for higher education in the 10+2 pattern during 1983-84 academic session. All the colleges in the State will provide + 2 courses of study in both Arts and Science streams. The provision for General and Technical education in the next year's budget is Rs. 14.16 crores under Plan in addition to Rs. 138.90 crores under Non-Plan.

23. The key note of our Health care programme is improvement of public health facilities particularly in rural areas, control and eradication of communicable diseases and family welfare. Under the "Area Development Programme" implemented with substantial British aid, action programmes for

development of infrastructure facilities, strengthening of health services in the field of family welfare, maternity and child health care have been intensified. To meet the requirement of para-medical workers, training facilities for nurses, laboratory technicians and others have been expanded. There is proposal to open 30 additional subsidiary health centres and 14 Ayurvedic and Homoeopathic dispensaries in 1983-84. For the health programmes the outlay for 1983-84 including schemes under the British Aid Programme and Special Tribal Assistance is Rs. 16.72 crores under plan and in addition Rs. 27.72 crores under Non-Plan sector.

24. The State Government are keen to promote with special care the educational and economic interest of the Scheduled Castes and Scheduled Tribes and protect them against all forms of exploitation. Intensive and concentrated efforts are being made through the massive programmes like Tribal Sub-Plan, Special Component Plan for Scheduled Castes, Micro Projects for the development of primitive tribes, programmes of Modified Area Development Approach for the dispersed tribals outside Sub-Plan area, special educational programmes and protective legislation, for rapid socio-economic development of these communities. The total amount provided under the Tribal Sub-Plan and Scheduled Caste Component Plan is Rs. 144.12 crores in 1983-84 as against Rs. 132.60 crores in 1982-83.

25. The public distribution system in the State has come under very severe pressure following large-scale loss of crop in the wake of successive natural calamities. In order to meet the requirements of the public distribution system efforts have been made to obtain sizeable allocations from the Central Pool. The State Government have intensified procurement efforts. All available open market sources both inside and outside the State are also being tapped to obtain supplies of rice. Expansion of public distribution system by opening fair price shops

