



GOVERNMENT OF ODISHA

People's Guide

Annual Budget, 2023-24



24th February, 2023

FINANCE DEPARTMENT



GOVERNMENT OF ODISHA

PEOPLE'S GUIDE TO BUDGET

2023-24

February 2023

FINANCE DEPARTMENT

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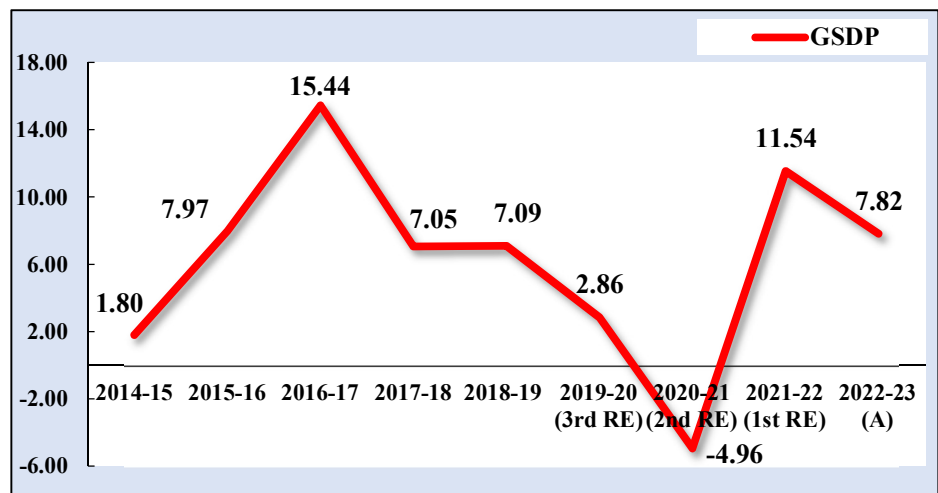
1. Introduction

The People’s Guide to Budget is a disclosure document designed for people’s access to budgetary information for greater accountability and transparency. The State Government has always accorded highest priority to the aspirations of the people of Odisha through a vision to build a “New Odisha – Empowered Odisha”. The focus of the State Government has been to improve service delivery and quality infrastructure development to transform the economy of the State. Due to favourable economic conditions, Economy of Odisha has grown at a higher rate than the national economy during the current financial year 2022-23. For the upcoming financial year, State Government has announced a budget Size of ₹ 2.3 lakh crore, which is 15 % higher than the budget of the current financial year 2022-23. The focus of the budget is to achieve rapid and inclusive growth through the development of human resources and capital assets for long-term economic growth.

2. A Look at the State’s Economy

The economy of the State, which is measured in GSDP has grown at a higher rate than the national economy in the last decade. Over the past eight years, Odisha’s economy has grown at an average rate of 8.1 per cent. This has been faster than national economic growth and among the fastest-growing state economies in India.

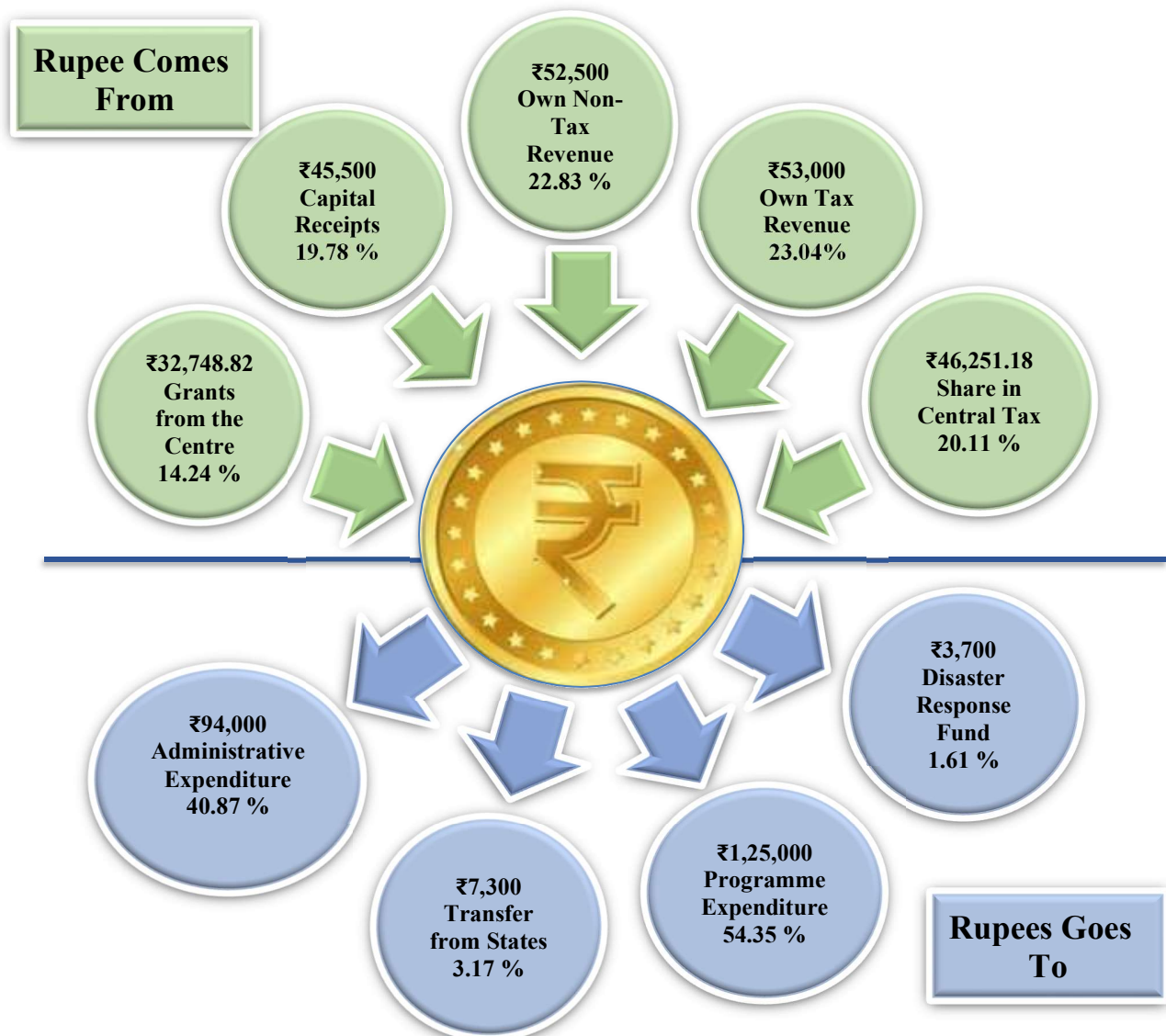
Chart 1: Real Growth Trend of GSDP (%)



3. Sources and Uses of Funds

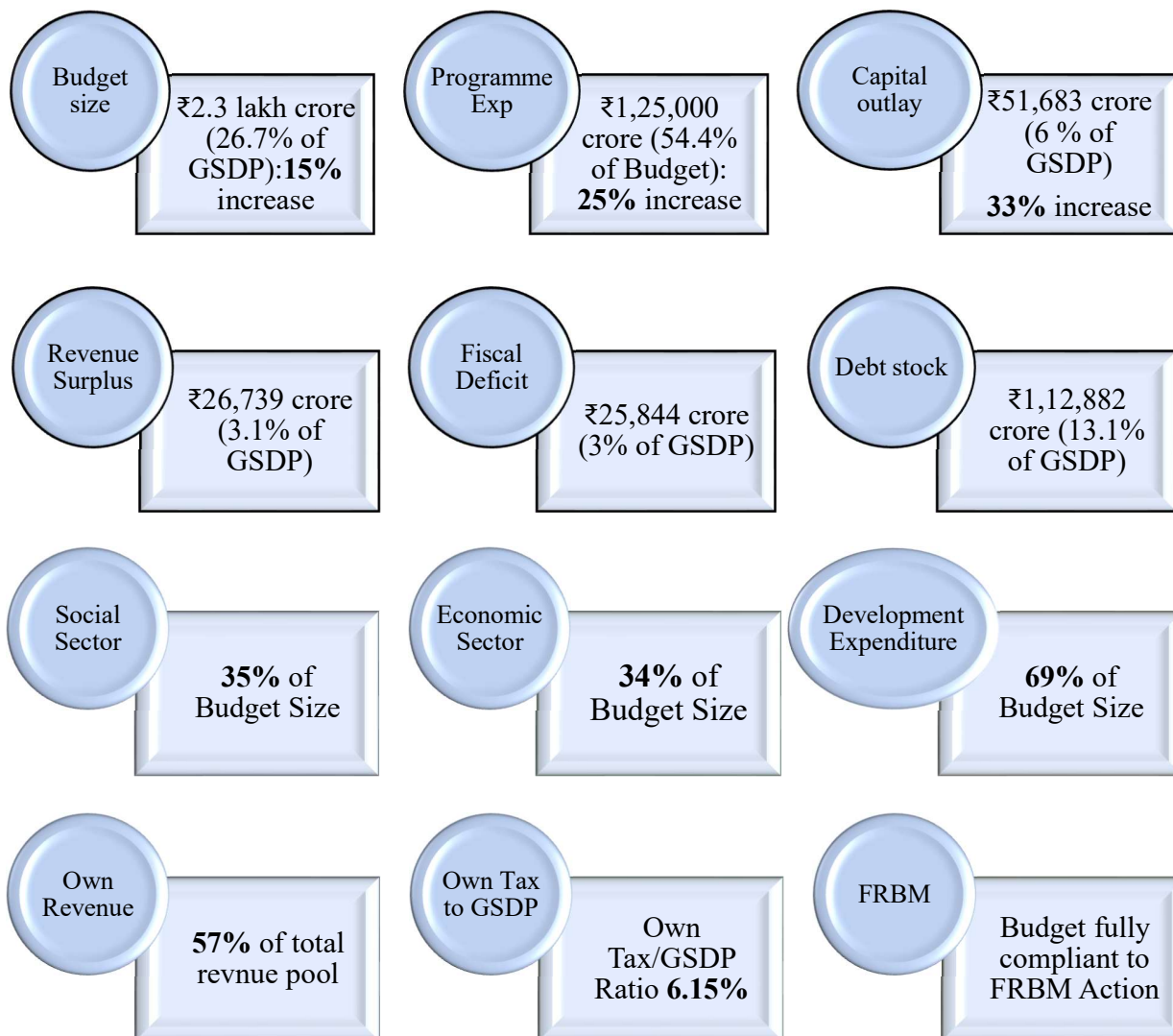
In FY 2023-24, major chunk of the State Government's total resources is estimated to be generated through the State's own tax and own non-tax revenue. ₹53,000 crore is projected to come from own tax revenue and ₹52,500 crore from own non-tax revenue. State's own revenue is estimated to contribute 46 % of the total resource. Apart from this, the State's share in Central tax, grants from the Centre, and the capital receipts together contribute 54%. As far as public spending is concerned, State Government has allocated highest share towards programme expenditure of ₹125,000 crore, which is an increase of 25% over FY 2022-23. The second largest spending item is Establishment, Operation and Maintenance related expenditure.

Chart 2: Rupee comes from, and Rupee goes to in FY 2023-24



4. Budget Highlights

Qualitative Aspects of the Budget



Allocation for Important Sectors



₹16,048 crore for Health sector (27% increase)



₹30,030 crore for Education and Skills (10% increase)



₹13,215 crore for Piped Water (58% increase)



₹38,437 crore for SCs and STs development (18% increase)



₹24,829 crore for Agriculture & allied sector (21% increase)



₹680 crore for Tourism (15% increase)



₹19,452 crore for Roads, Bridges, Airports and Railways (34% increase)



₹1,217 crore for development of Sports (34% increase)



₹7,914 crore for Urban Development (9% increase)



₹356 crore for E & IT (18% increase)



₹6,224 crore for Mission Shakti, W&CD (12% increase)



₹219 crore for Handloom, Textiles & Handicrafts sector (8% increase)



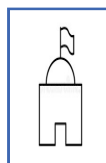
₹1358 crore for Industries and MSME (7% increase)



₹8,130 crore for Internal security and justice (8% increase)



₹3,700 crore for Disaster Risk Management (13% increase)



₹7300 crore for transfer to Local Bodies

New Initiatives in this Budget

1

₹2000 crore: Revolving Fund for Paddy Procurement

2

₹750 crore: Ama Hospital

3

₹139 crore: Chief Minister's Awards for Education

4

₹811 crore: Mukhyamantri Medhabi Chatra Protsahan

5

₹120 crore: Mukhyamantri Janajati Jeebika Mission

6

₹150 crore: Mukhyamantri Disaster Resilient Saline Embankment

7

₹100 crore: Location Accessible Multimodal Initiatives (LACMMI)

8

₹150 crore: Ama Bus Stand

9

₹50 crore: Mukhyamantri Kendu Leaf Welfare Fund

10

₹100 crore: for Promotion of Entrepreneurship for women SHGs

11

₹126 crore: Coffee Mission

12

₹250 crore: Chief Minister's Energy Conservation Prog.

13

₹1,446 crore: Chief Minister's Power Development Prog.

14

₹100 crore: for International Air Connectivity

15

₹50 crore: Odisha Renewable Energy Development Fund

16

₹210 crore: Mukhyamantri Maschya Jibi Kalyan Yojana

17

₹250 crore: Mukhyamantri Sampurna Pushti Yojana

18

₹250 crore: Building for Van Surakshya Samiti

19

₹100 crore: NUA Odisha (Nutana Unnata Abhilasha)

20

₹50 crore: Mission Shakti Scooter Yojana

Allocation for Flagship Programmes

Agriculture & Allied Sector Activities

₹1,879 crore
KALIA Scheme

₹ 267 crore
Livestock Health & Disease
Control

₹ 250 crore
Soura Jananidhi

₹ 836 crore
Interest Subvention to Farmers

₹ 497 crore
Odisha Millet Mission

Irrigation & Water Use Efficiency

₹ 500 crore
Parvati Giri Mega Lift Irrigation

₹400 crore
Biju Krushak Vikash Yojana

₹181 crore
Mukhya Mantri Adibandha Yojan

₹270 crore
CLSRP

₹ 854 crore
In-stream Storage

Health Sector: Caring for the life

₹ 3,003 crore
Mukhya Mantri Swasthya
Seva Mission

₹ 2,380 crore
Health Assurance under BSKY

₹ 1,911 crore
National Health Mission

₹ 513 crore
NIRAMAYA

₹ 211 crore
Cancer Care Centers

Education Sector: Enriching the life

₹ 842 Crore
Odisha Adarsha Vidyalaya

₹ 805 crore
Mo School Abhiyan

₹ 986 crore
Skill Development and Technical
Education

₹ 155 crore
Gangadhar Meher Sikshya
Manakbrudhi Yojana

₹ 170 crore
Mo College Abhiyan

Development of SCs, STs, OBCs & Minorities

₹ 176 crore
Special Development Councils

₹120 crore
Mission Jeevika Plus

₹ Rs.214 crore
PM-AJAY

Food Security

₹ 1,035 crore
distribution of rice @ ₹1/- per kg

₹2,000 crore
Revolving Fund for Paddy Procurement

₹ 41 crore
Fair Price Shop Automation

Housing

₹ 5,934 crore
PMAY-Gramin

₹ 487 crore
Biju Pucca Ghar

₹ 600 crore
PMAY-Urban

Drinking Water & Sanitation (Rural)

₹ 4750 crore
BASUDHA scheme

₹ 5,750 crore
Jal Jeevan Mission

₹ 269 crore
Operation and Maintenance of the water supply

Energy

₹ 250 crore
CM Energy Conservation Programme

₹ 50 crore
Green Energy Evacuation Corridor

Industries & MSMEs

₹ 200 crore
Land Bank

₹ 280 crore
Cluster Development Fund

Wage employment, livelihood, and basic services

₹ 1,800 crore
MGNREGS

₹ 1,000 crore
MGNREGS Cropus Fund

₹ 414 crore
MUKTA

₹ 500 crore
State support to MGNREGS

Roads, Railways & Transport

₹ 1900 crore
Biju Setu Yojana

₹ 4600 crore
Double Lanning of State
Highways

₹ 2071 crore
Mukhya Mantri Sadak Yojana

₹ 275 crore
Biju Patnaik Aerospace
Academy

Forest, Environment & Climate Change

₹ 1,027 crore
CAMPA

₹ 500 crore
Mukhyamantri Van Surakshya

Transformation of heritage sites

₹ 224 crore
ABADHA

₹ 150 crore
Heritage and Monuments

Tourism Development

₹ Rs.400 crore
Tourist Infrastructure

₹ Rs.157 crore
Tourism Promotion

Disaster Management

₹ ₹2,358 crore
SDRMF

₹ ₹1342 crore
NDRMF

Odia Language, Culture and Heritage

₹62 crore
Mukhyamantri Kalakara
Sahayata Yojana

₹ 15 crore
Protection of Monuments

Sports & Youth Services

₹1044 crore
Sports Infrastructure

₹72 crore
Promotion of Sports Education

Women & Child Development

₹ Rs.219 crore
MAMATA scheme

₹ 91 crore
Malati Devi Prak Vidyalaya
Paridhan Yojana

Mission Shakti

₹989 crore
Mission Shakti Programmes

₹320 crore
Mission Shakti Gruha

Planning & Convergence

₹ Rs.441 crore
MLALAD

₹ 250 crore
Biju KBK Yojana

Social security & empowerment of persons with disability

₹ 2,501 crore
Madhubabu Pension Yojana

₹162 crore
welfare of PwD

Urban Development

₹ 7914 crore
Transform Urban Odisha

₹ Rs.300 crore
New City Development

₹ 996 crore
AMRUT

₹ 286 crore
Urban Sanitation Scheme

5. Budget at a Glance

Table-1: Budget at a Glance (₹ crore)

| | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2022-23 | 2023-24 |
|-----------|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Actuals | Actuals | Actuals | BE | RE | BE |
| 1 | Revenue Receipts (a+b+c+d) | 101567.75 | 104387.24 | 153059.44 | 163966.52 | 163500 | 184500 |
| | a. State Own Tax Revenue | 32315.18 | 34258.17 | 40748 | 46000 | 47000 | 53000 |
| | b. State Own Non-Tax Revenue | 14647.20 | 19518.06 | 54257 | 48200 | 46500 | 52500 |
| | Total Own Revenue (a+b) | 46962.37 | 53776.23 | 95004.73 | 94200 | 93500 | 105500 |
| | c. Shared Tax | 30453.27 | 27542.67 | 38144.79 | 36977.88 | 42989.45 | 46250.81 |
| | d. Grants-in-Aid | 24152.10 | 23068.35 | 19909.92 | 32788.64 | 27010.55 | 32749.19 |
| | Total Central Transfer (c+d) | 54605.37 | 50611.02 | 58054.71 | 69766.52 | 70000 | 79000 |
| 2 | Capital Receipts (a+b+c) | 23599.88 | 21001.86 | 14346.34 | 25033.48 | 13500 | 34500 |
| | a. Recovery of Loans | 287.16 | 684.22 | 1566.38 | 444.48 | 666 | 870 |
| | b. Other Receipts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | c. Borrowings and Other Liabilities | 23312.72 | 20317.64 | 12779.96 | 24589.00 | 12834.00 | 33630.00 |
| 3 | Net Receipt from Public Account | 0.00 | 1108.96 | 13779.82 | 11000.00 | 23000.00 | 11000 |
| 4 | Total Receipts (1+2+3) | 125167.63 | 126498.06 | 181185.60 | 200000.00 | 200000.00 | 230000.00 |
| 5 | Total Expenditure (6+7) | 125167.63 | 124109.14 | 153796.96 | 200000.00 | 200000.00 | 230000.00 |
| 6 | Revenue Expenditure of which | 99137.30 | 95310.85 | 109587.54 | 145727.29 | 146038.91 | 157761.44 |
| | a. Interest Payments | 6062.56 | 6643.79 | 8342.45 | 8467.00 | 6281.74 | 6864.04 |
| 7 | Capital Expenditure of which | 26030.33 | 28798.29 | 44209.42 | 54272.71 | 53961.09 | 72238.56 |
| | a. Debt Repayment | 4493.75 | 9252.14 | 19798.26 | 14001.35 | 14001.35 | 18786 |
| 8 | Revenue Balance (1-6) | 2430.45 | 9076.39 | 43471.90 | 18239.23 | 17461.09 | 26738.56 |
| | As % of GSDP | 0.45 | 1.69 | 6.57 | 2.53 | 2.28 | 3.10 |
| 9 | Fiscal Balance [(1+2a+2b+7a)-5] | -18818.97 | -9785.54 | 20627.12 | -21587.65 | -21832.65 | -25844 |
| | As % of GSDP | -3.50 | -1.83 | 3.12 | -3.00 | -2.85 | -3.00 |
| 10 | Primary Balance [9+6a] | -12756.41 | -3141.75 | 28969.57 | -13120.65 | -15550.91 | -18979.96 |
| | As % of GSDP | -2.37 | -0.59 | 4.38 | -1.82 | -2.03 | -2.20 |
| | Note: "-" indicates deficit, "+" indicates surplus | | | | | | |

6. Analysis of Revenue Receipts

Chart 3: Composition of State Revenue (As % of Revenue Receipts)

Total Revenue Receipts (RR) of the State comprises of State’s Own Tax Revenue, State’s Own Non-Tax Revenue, Share in Central Taxes, and Grant-in-aid from the Centre. The State’s Own Revenue constitutes the major share of the Total Revenue Receipts. Since the last few years, State’s Own Revenue share in Revenue Receipts has been rising continuously. During the same period, the grant-in-aid from the Centre is on a declining trend.

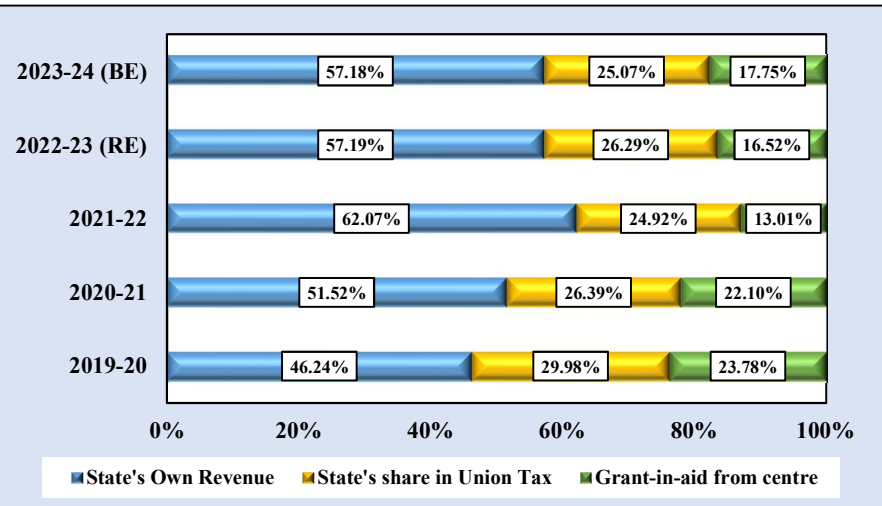


Chart 4: State’s Own Tax Revenue, 2023-24 (BE)

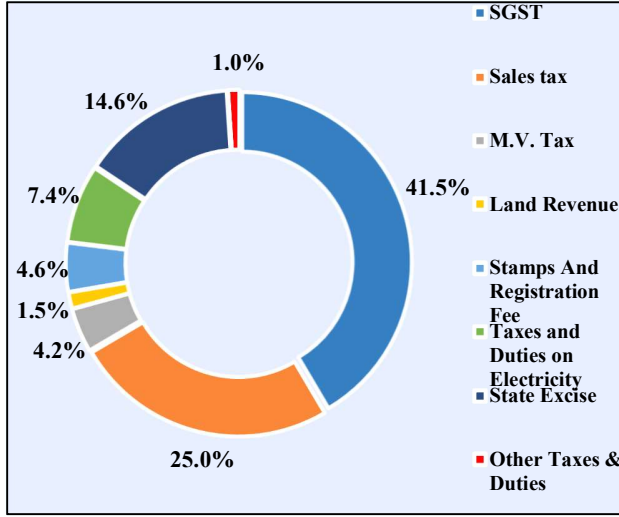
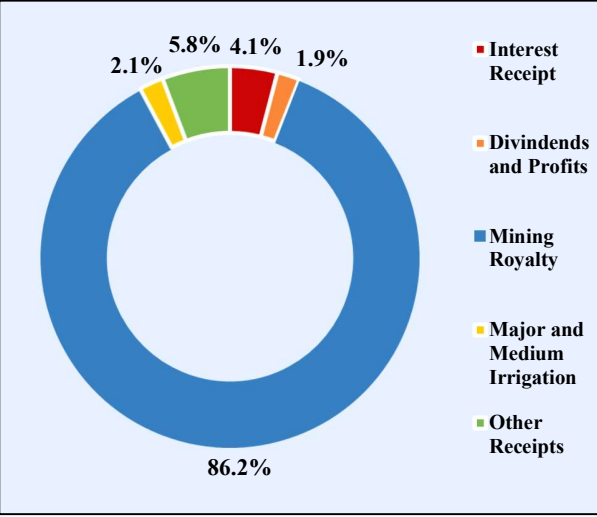


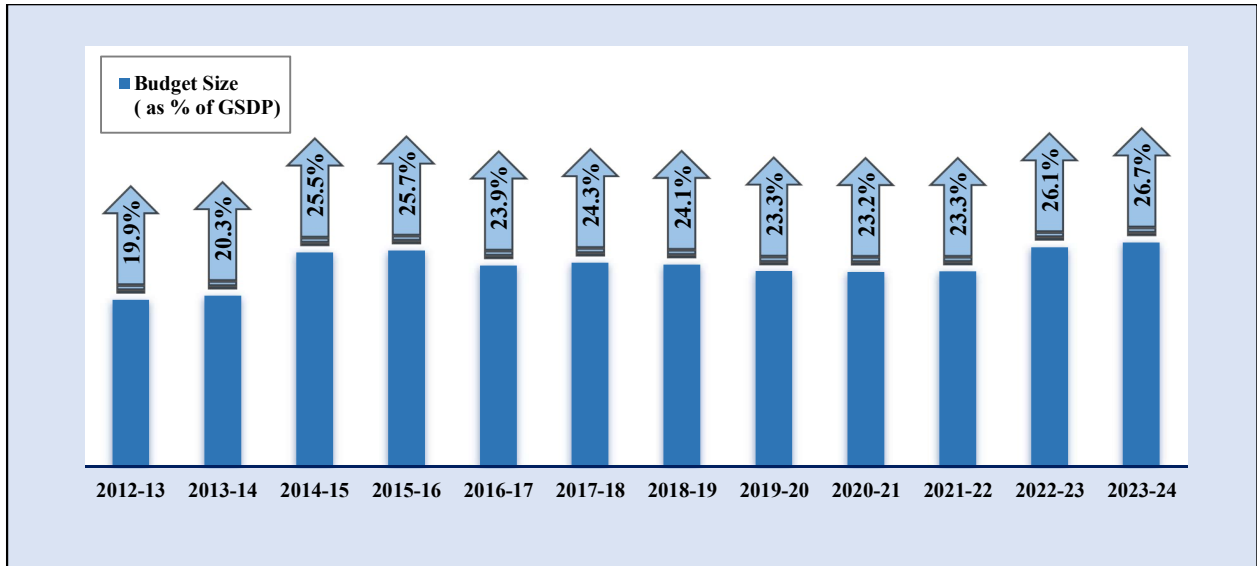
Chart 5: State’s Own Non-Tax Revenue, 2023-24 (BE)



7. How Government Spends

Aggregate Expenditure or Budget size for FY 2023-24 is estimated at 26.70% of GSDP, showing higher spending compared to 26.10% in FY 2022-23 (Chart 6).

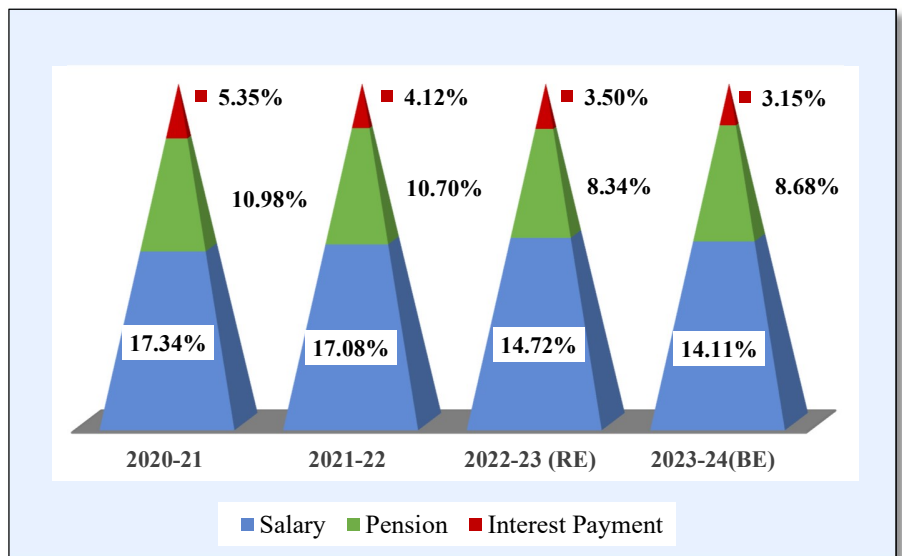
Chart 6: Trend in Budget Size (As % of GSDP)



Note: The latest GSDP data are as follows: 2019-20 (3rd RE), 2020-21 (2nd RE), 2021-22 (1st RE), 2022-23 (A), and 2023-24 (BE); the remaining GSDP figures are actual. Budget size data are as follows: 2022-23 (RE) and 2023-24 (BE); the remaining data are actual figures.

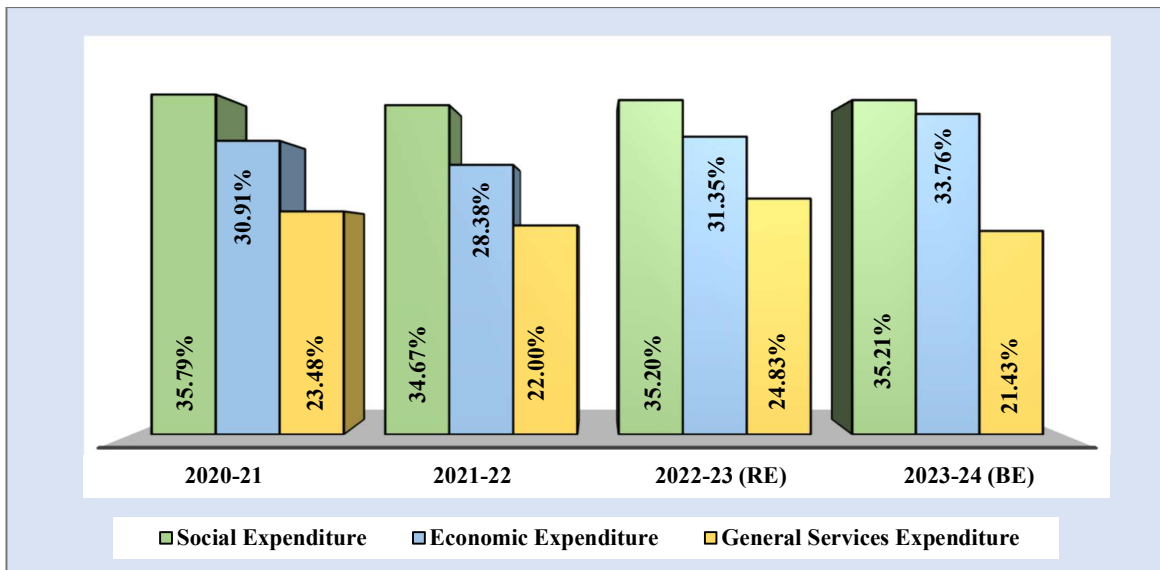
**Chart: 7
Committed Expenditure (As % of Budget Size)**

Committed expenditure is budgeted at 25.94% of total expenditure in 2023-24 (BE). Since 2020-21, it is continuously falling from a high level of 33.68% of total expenditure. All three components of committed expenditure (Pension, Salary, Interest Payment) are also declining in the same period.



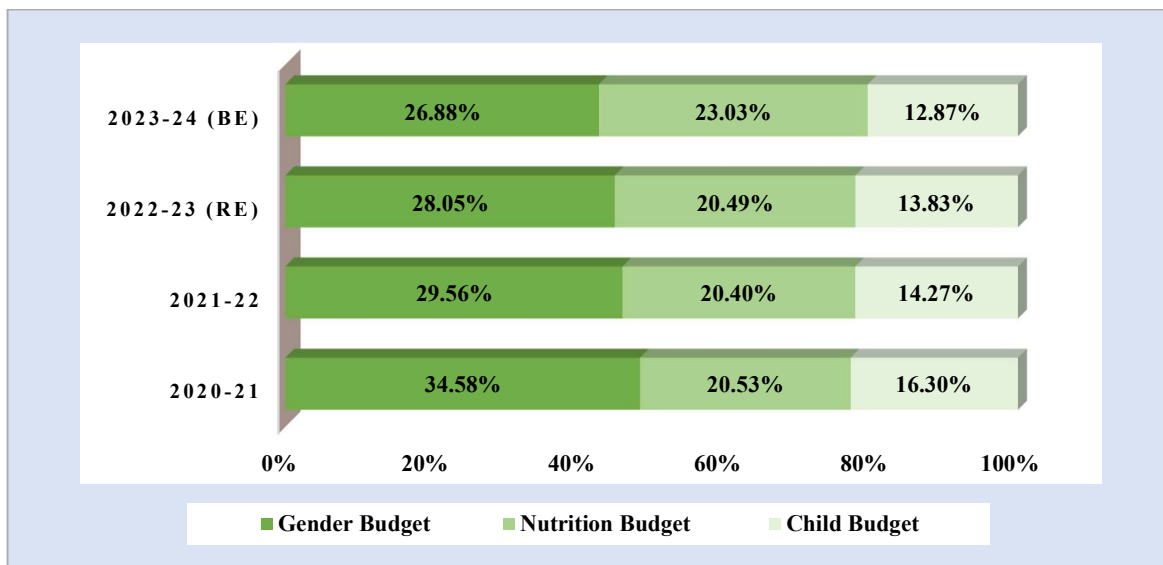
Note: Committed Expenditure includes Salary, Pension, and Interest payments.

Chart 8: Expenditure on Social, Economic and General Services (As % of Budget Size)



Expenditure (as a share of total budget size) on Social, Economic and General Services are budgeted at 35.21%, 33.76% and 21.43% respectively in 2023-24 (BE) (Chart 8).

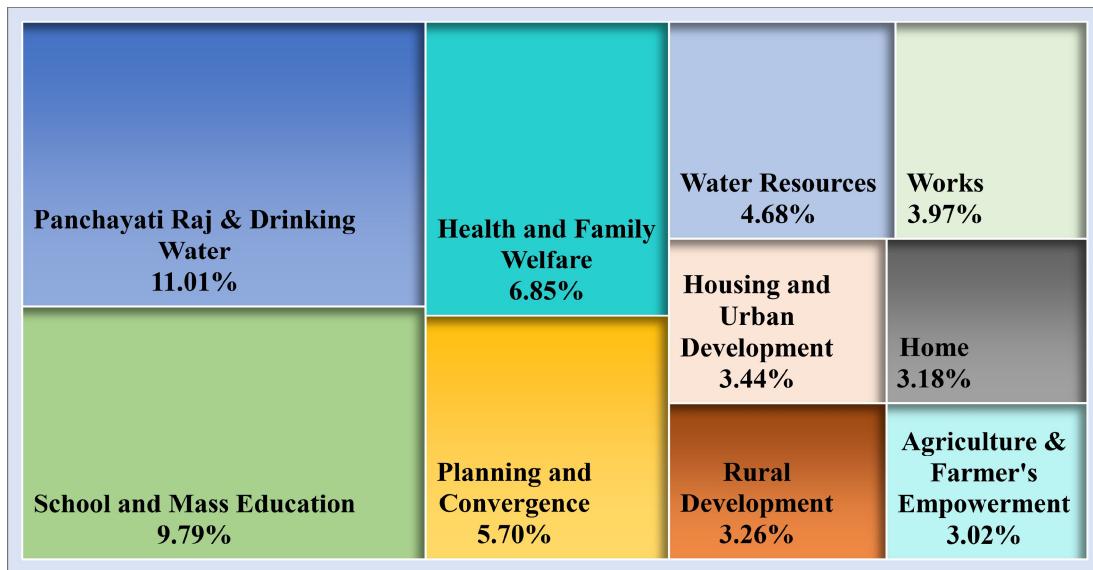
Chart 9: Total Outlay for Gender, Nutrition, and Child (As % of Budget Size)



8. Department-wise Expenditure in 2023-24

In 2023-24 (BE), the highest resource allocation is in the Panchayati Raj Department (11.01 %) ¹ followed by the School and Mass Education Department (9.79%), Health & Family Welfare (6.85 %), Planning and Convergence (5.70 %), and Water Resources (4.68 %) (Chart 10). Resource allocation to various departments in terms of Administrative Expenditure, Programme Expenditure, Disaster Response Fund and Transfer from the State is presented in Table 2.

Chart 10: Share of Top Ten Departments in Total Budget Size FY 2023-24



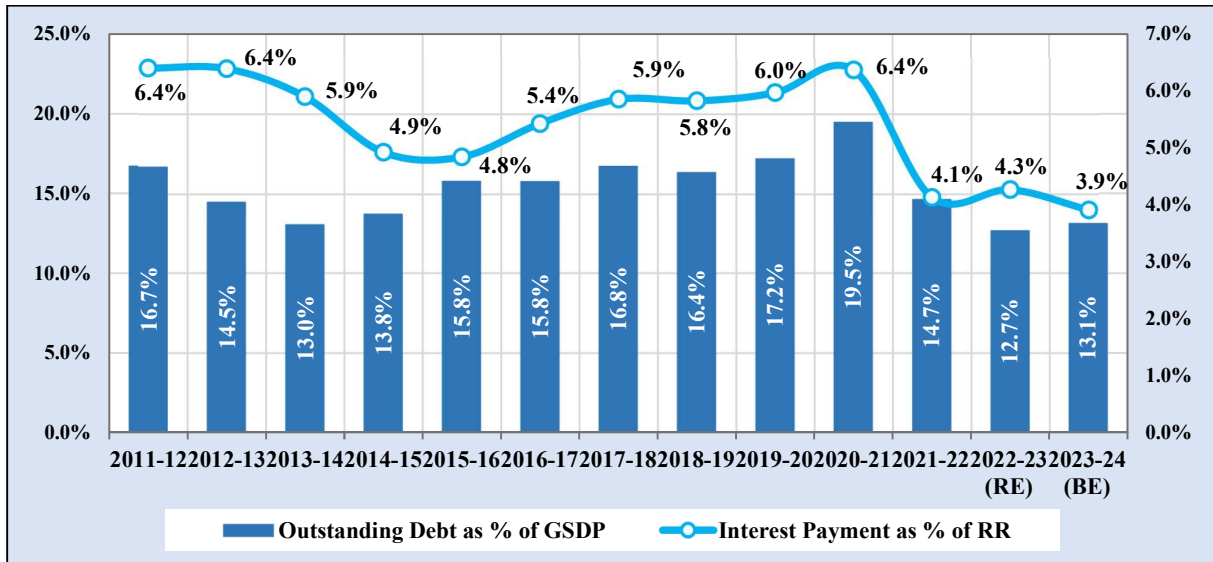
Note: Agriculture & allied activities is the sum of Agriculture and Farmers' Empowerment Department, Water Resource Department, Fisheries and Animal Resources Development Department and Co-operation Department.

The Top Ten Departments account for 54.90 % of the total budgeted expenditure in 2023-24 (BE). These Departments are mainly from the social services and economic services sectors. Other Departments account for 45.1 % of the total expenditure, out of which the share of the Finance Department is 26.89 %.

¹The Net Provision for Finance Department is budgeted at Rs 61, 852.83 crore. This mainly includes committed expenditures such as Pension, Debt Repayment, Interest Payments, etc.

9. Debt Sustainability

Chart 11: Debt Sustainability



The outstanding debt hovers around 15 % of GSDP during 2011-12 to 2023-24. For the same period, the interest payment remains around 5 % of Revenue Receipts (Chart 14).

FRBM Targets for 2023-24

- The estimated Revenue Surplus at 3.1 % of GSDP has adhered to the FRBM limit of zero Revenue Deficit.
- The Fiscal Deficit is projected at 3% of GSDP.
- The Interest Payment to Revenue Receipts (IPRR) Ratio is targeted at 3.92%, which is below FRBM limit of 15%.
- The outstanding debt to GSDP ratio at the end of FY 2023-24 is estimated at 13.10% of GSDP, which is below the FRBM limit of 25%.
- The Budget for FY 2023-24 is FRBM compliant.

10. Demand-wise Budget allocation

Table-2: Department-wise Net Provision: FY 2023-24 (BE) (Rs. Crore)

| | | | | | | (₹ in crore) |
|-----|--|----------------------------|-----------------------|-------------------------------|-------------------------|--------------|
| No. | Department Name | Administrative Expenditure | Programme Expenditure | Disaster Risk Management Fund | Transfer from the State | Grand Total |
| 1 | Home | 5899.28 | 1414.33 | | | 7313.61 |
| 2 | General Administration & PG (GA) | 373.07 | 171.43 | | | 544.49 |
| 3 | Revenue and Disaster Management (Revenue) | 1164.71 | 422.01 | | | 1586.72 |
| 4 | Law | 769.46 | 46.98 | | | 816.43 |
| 5 | Finance | 5552.83 | 6300.00 | | | 6182.83 |
| 6 | Commerce | 80.58 | 95.35 | | | 175.93 |
| 7 | Works | 2125.00 | 7008.00 | | | 9133.00 |
| 8 | Odisha Legislative Assembly | 194.94 | 0.00 | | | 194.94 |
| 9 | Food Supplies & Consumer Welfare | 88.26 | 1141.70 | | | 1229.95 |
| 10 | School and Mass Education | 12862.99 | 9664.96 | | | 22527.95 |
| 11 | ST & SC Development, Minorities & Backward Classes Welfare | 1050.00 | 3601.78 | | | 4651.78 |
| 12 | Health and Family Welfare | 3725.10 | 12031.44 | | | 15756.53 |
| 13 | Housing and Urban Development | 650.68 | 4782.45 | | 2480.69 | 7913.82 |
| 14 | Labour & Employees State Insurance | 143.65 | 75.00 | | | 218.65 |
| 15 | Sports and Youth Services | 82.18 | 1135.00 | | | 1217.18 |
| 16 | Planning and Convergence | 53.41 | 13050.29 | | | 13103.70 |
| 17 | Panchayati Raj & Drinking Water | 647.25 | 19852.00 | | 4819.31 | 25318.55 |
| 18 | PG&PA | 2.50 | 0.00 | | | 2.50 |
| 19 | Industries | 7.20 | 703.00 | | | 710.20 |
| 20 | Water Resources | 1623.36 | 9152.00 | | | 10775.36 |
| 21 | Transport | 97.58 | 1190.00 | | | 1287.58 |
| 22 | Forest and Environment & Climate Change | 593.04 | 563.23 | | | 1156.27 |
| 23 | Agriculture & Farmer's Empowerment | 1019.21 | 5916.68 | | | 6935.89 |
| 24 | Steel and Mines | 73.77 | 218.66 | | | 292.42 |
| 25 | Information and Public Relations | 65.77 | 72.00 | | | 137.77 |
| 26 | Excise | 130.68 | 45.00 | | | 175.68 |
| 27 | Science and Technology | 10.21 | 108.88 | | | 119.08 |
| 28 | Rural Development | 1625.00 | 5875.00 | | | 7500.00 |

| | | | | | | (₹ in crore) |
|-----|--|----------------------------|-----------------------|-------------------------------|-------------------------|------------------|
| No. | Department Name | Administrative Expenditure | Programme Expenditure | Disaster Risk Management Fund | Transfer from the State | Grand Total |
| 29 | Parliamentary Affairs | 76.82 | 5.00 | | | 81.81 |
| 30 | Energy | 48.53 | 2954.00 | | | 3002.53 |
| 31 | Handlooms, Textiles & Handicrafts | 71.99 | 147.50 | | | 219.49 |
| 32 | Tourism | 16.45 | 663.57 | | | 680.02 |
| 33 | Fisheries and ARD | 495.29 | 1274.00 | | | 1769.29 |
| 34 | Co-operation | 147.85 | 1788.16 | | | 1936.01 |
| 35 | Public Enterprises | 5.10 | 6.50 | | | 11.60 |
| 36 | Women and Child Development | 29.00 | 3641.00 | | | 3670.00 |
| 37 | E & Information Technology | 6.51 | 349.04 | | | 355.55 |
| 38 | Higher Education | 1682.27 | 1490.60 | | | 3172.87 |
| 39 | Skill Development and Technical Education | 474.85 | 511.41 | | | 986.26 |
| 40 | Micro, Small & Medium Enterprises Department | 77.41 | 570.36 | | | 647.77 |
| 41 | Department of Social Security & Empowerment of Persons with Disability | 82.89 | 4215.87 | | | 4298.76 |
| 42 | Revenue and Disaster Management (Disaster Management) | 34.28 | 30.00 | 3700.00 | | 3764.28 |
| 43 | Odia Language, Literature and Culture | 34.60 | 166.00 | | | 200.60 |
| 44 | Mission Shakti | 4.50 | 2549.83 | | | 2554.33 |
| | Total | 94000.00 | 125000.00 | 3700.00 | 7300.00 | 230000.00 |



BUDGET APP



FINANCE DEPARTMENT, GOVERNMENT OF ODISHA

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