

Hon'ble Speaker Sir,

At the outset, I express my gratitude to you for giving me this opportunity to present the Vote on Account Budget for the year 2009-10. I also express my sincere thanks to all the Hon'ble Members of this House for their wholehearted support and co-operation.

2. It is obligatory on my part to indicate as to why we are presenting a Vote-on-Account. The term of the present Lok Sabha and the State Assembly will expire within a few months and general elections are to be held. The model Code of Conduct will come into force soon after announcement of the elections. This will obviously affect the pace of development works particularly, implementation of new services, schemes and projects. Accordingly, instead of presenting a full-fledged budget we propose to seek a Vote-on-Account to defray essential expenditures for the first four months of the financial year 2009-10.

3. You are aware that Union Government have decided to go for a Vote on Account. The exact amount of Central Assistance including share in Central Taxes would be known after the regular Union Budget is passed. After discussion with the officials of Planning Commission and taking into account the resource estimates for the year 2009-10 the State's plan size has been fixed at Rs.9500.00 crore. The plan size may under-go change after discussion at the level of Hon'ble Chief Minister with Deputy Chairman, Planning Commission later.

4. The basic goal of our Government has been to push forward the growth process and no doubt we have achieved considerable success in this regard. There is, however, need to consolidate and carry forward these programmes in the coming years.

5. The State Government have undertaken a set of reform measures to accelerate the pace of development. Because of fiscal measures undertaken by the State Government in improving revenue generation and ensuring fiscal discipline, several positive outcomes have been achieved. I would like to highlight a few of them.

- The State's own revenue as % of GSDP has increased from 5.64% in 1999-2000 to 9.21% in 2007-08 (i.e. from Rs.2420.56 cr. to Rs.9509.67 cr.).
- The State's own tax revenue as a percentage of GSDP has increased from 3.97% in 1999-2000 to 6.64% in 2007-08 (i.e. from Rs.1704.08 cr. to Rs.6856.09 cr).
- The revenue deficit has been eliminated in 2005-06, much ahead of the target fixed by the 12th Finance Commission.
- This improvement in fiscal performance has enabled the State to get debt relief amounting to Rs.381.90crore per annum starting from 2005-06 to 2007-08 under Debt Consolidation and Relief Facility (DCRF) scheme recommended by 12th Finance Commission and the State has also become eligible for receiving another dose of Debt Relief amounting to Rs.381.90crore during 2008-09.
- The State has introduced increased scales of pay and pension on the basis of the recommendation of the 6th Central Pay Commission for the State Government employees and pensioners with effect from 01.01.2006.
- The Plan size has increased from the level of Rs.2553.13crore in 1999-2000 to Rs.7500.00 crore in 2008-09. In spite of the huge financial burden on account of payment of Salary and Pension at increased rates, the Plan size for 2009-10 has been estimated at Rs.9500.00crore with a step up of Rs.2000.00 crore.

- The Capital Outlay which was of the order of Rs.799.00 crore during 1999-2000 increased to Rs.1451.47 crore in 2006-07. Further, it has nearly doubled amounting to Rs.2843.41 crore during 2007-08.
- The ratio of Interest Payment to Total Revenue Receipt which was as high as 21.03% in 1999-2000 has come down to 17.68% in 2006-07 and to 14.4% in 2007-08 against the target of 15% prescribed by the 12th Finance Commission.
- The state achieved fiscal surplus for the first time in 2006-07 and it was of the order of Rs.823.18 crore. The same trend also continued in 2007-08 and the financial year 2007-08 ended with a fiscal surplus of Rs.1323.13crore.
- For the first time after a gap of 61 years, there has been a net reduction in the debt stock amounting to Rs.937.90crore during the year 2007-08. Consequently, the Debt GSDP ratio has come down to 35.15%.
- The State Government have neither resorted to over draft nor to ways and means advance from Reserve Bank of India since 1.12.2004.
- Letter of credit has been given to the departments engaged in developmental activities as per their requirements.

6. Despite our good performance in many areas, it is to be noted that our resources are limited but our requirements are many. The state's progress depends on higher mobilization of resources and proper utilization of such resources. In this perspective, emphasis has been laid on some thrust areas in the budget for 2009-10 keeping in view the limited resources as well as overall development of the state. These are :

- ∅ To prioritise the expenditure keeping in view the available resources of the State.
- ∅ To provide necessary funds for completion of the ongoing projects in time.

- ∅ To provide higher allocation in social sectors for the benefit of old and destitutes, physically & mentally challenged persons, women, Scheduled Caste and Scheduled Tribes, other back-ward classes and for other Social Security Programmes.
- ∅ To provide adequate funds for maintenance of capital assets like Buildings, Roads, Bridges, Water Supply, Irrigation projects etc.
- ∅ To provide higher allocation for infrastructure sector like construction of new roads, bridges, canals etc.
- ∅ To improve the quality in health service and health infrastructure.
- ∅ To promote Elementary Education, Secondary Education and Technical Education.
- ∅ To encourage development of Agriculture and Allied activities.
- ∅ To accelerate development of Industries, Cottage Industries Handicraft Industries, Rural Electrification etc.
- ∅ Overall Development of Rural Areas.
- ∅ Improvement in water supply and sanitation in Urban and Rural areas.

7. 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. Despite limited resources our government have provided funds out of its own resources, for programmes like "Mo Kudia Yojana", "Madhubabu Pension Yojana", "Biju KBK Yojana", "Gopabandhu Gramin Yojana", "Providing rice @Rs.2/- Per K.G", "Supply of equipments for AIDs detection", "Maintenance of Critical Irrigation Projects" and various other schemes.

8. The tentative size of the State Plan for 2009-10 has been estimated at Rs.9500.00 crore including Rs.2026.56 crore for Public Sector undertakings as against the Annual Plan size of Rs.7500.00 crore for the current financial year.

Needless to say that such increase in Plan size has become possible because of better fiscal discipline and management.

9. The availability of Revenue Receipt of the Financial Year 2009-10 has been worked out at Rs.28297.04 crore and the Revenue Expenditure has been estimated at 30581.10 crore. The revenue receipt may decline in view of global recession which has affected the Country and the State. The estimated revenue expenditure has increased due to implementation of increased pay scales and pension for state government employees, provision of rice at the subsidised rate, grant-in-aid to aided educational institutions and many other welfare schemes announced by the Government from time to time. So revenue deficit is anticipated at the end of the financial year 2009-10. The estimated revenue deficit is of the order of Rs.2284.06 Crore. On the other hand, in the Capital Account, the estimated expenditure would be more by 456.42 crore compared to Capital receipts. It is estimated that there would be a deficit to the extent of Rs.456.42 crore. In toto, the deficit in the Consolidated fund has been estimated at Rs.2740.48 crore and the same amount has been estimated as surplus in the Public Account. On the whole, the expenditure in the consolidated fund has been matched with the Revenue Receipt, Capital Receipt and the Net Surplus in the Public Account taken together. Hence, this budget is a balanced budget.

10. His Excellency, the Governor has already mentioned the details of the important achievements of the State Government and steps proposed to be taken in the coming year. I do not want to burden you by repeating the same.

Despite limited resources we have made provisions for different schemes & programmes. I am giving an outline of provisions for different important schemes & programmes.

- √ Gopabandhu Gramin Yojana - Rs.165.00 crore
- √ Biju KBK Yojana - Rs.120.00 crore
- √ Madubadu Pension Yojana - (State Plan) Rs.72.00 crore
- √ Accelerated Irrigation Benefit Programmme - Rs.1153.00 crore
- √ Externally Aided Projects - Rs.690.00 crore
- √ Rastriya Krishi Vikash Yojana - Rs.100.00 crore
- √ Jawaharlal Neheru National Urban Renewal Mission- Rs.132.50 crore
- √ State Share of CSP - Rs.1133.52 crore
- √ Backward Region Grant Fund - Rs.324.00 crore
- √ Rural Infrastructure Development Fund - Rs.500.00 crore
- √ Providing rice @Rs.2/- per K.G. - Rs.847.85 crore
- √ Madhubabu Pension Yojana (Non-Plan) - Rs.218.01 crore
- √ Maintenance of Critical Flood Control Projects - Rs.21.00 crore
- √ Compensation to ULBs for Road Maintenance & Infrastructure Development under 2nd State Finance Commission Award - Rs.125.00 crore
- √ Recruitment of 4822 nos of Police Constables, Sepoys etc. - Rs.43.31 crore
- √ Engagement of 2000 Adivasi Youth as Special Police Officers in Gajapati,Rayagada, Koraput,Malkangiri & Kandhamal districts - Rs.9.41crore
- √ Completion of incompleation projects including Railway Over bridge at Lingaraj Road Passenger Halt - Rs.60.00 crore

- √ Railway Over bridge near IIT site & Road to IIT site - Rs.10.00 crore.
- √ Jeeban Vikash (Livelihood support to poor people) - Rs.2.00 crore.
- √ Technical Education and Quality Improvement Programme (TEQIP) - Rs.3.80 crore
- √ Special Infrastructure for Left Wing Extremism in affected areas - Rs.13.86 crore
- √ Grant to Remote Sensing Application Centre for preparation of Publicity Films & Documentaries - Rs.3.00 crore.
- √ Establishment of Agriculture College at Bhawanipatna - Rs.10.00 crore and Engineering College at Bhawanipatna - Rs.1.00 crore.
- √ Establishment of Parala Maharaja Engineering College at Berhampur - Rs.4.00 crore.

11. After taking into account the requirement of funds for holding elections to Orissa Legislative Assembly and Lok Sabha and the expenditure for four months on payment of salary, pension, interest, repayment of principal, relief, old age pension, scholarship of ST & SC students, State's share under Centrally Sponsored Plan Schemes and other essential expenditure under Non-Plan, State Plan, Central Plan and Centrally Sponsored Plan schemes, a sum of Rs.15054.02 crore has been proposed for seeking approval of this august House to defray expenses for the first four months that is from April to July, 2009.

12. Needless to emphasize that our Government during the last nine years have been consistently making efforts to usher in an era of development and progress in the State. Our programmes have been designed in a such manner that the benefits would help the poor and economically weaker sections of the society. Much has been done but a great deal remains to be achieved in future.

13. While the general elections are round the corner, we are going to seek the mandate of the people to carry forward our cherished goals.

14. I once again express my sincere thanks to the Hon'ble Leader of the House, Hon'ble Leader of Opposition and all the Hon'ble Members of this House for their kind co-operation and unhesitant support at different points of time. I also thank the Hon'ble Speaker for giving me this opportunity to speak a few words while presenting this Vote-on-Account Budget for the year 2009-10.

Jai Hind, Jai Jagannath
VANDE UTKAL JANANI