

CHAPTER 1

SOCIO-ECONOMIC PROFILE

1.01 The Economic Survey 2004-05 presents the status of the State's Economy as well as its strengths and weaknesses based on a review of the development performance of the State at the end of the year in different development sectors. This report also briefly outlines the strategy adopted by the State in implementation of Plans and Programmes which have been undertaken to transfer an economy characterized by persistent poverty and unemployment, low per-capita income, low capital formation, under exploitation of abundant natural resources and inadequate development of socio-economic infrastructure into a vibrant economy for ensuring equity oriented sustainable growth notwithstanding the recurrent natural calamities which have ravaged the State over the last four decades.

SOCIO-ECONOMIC BACKDROP

1.02 Orissa, comprises of 4.74% of India's landmass and 36.80 million people (2001 Census), accounts for 3.58% of the population of the country. Nearly 85% of its population live in the rural areas and depend mostly on agriculture for their livelihood. The State has abundant mineral resources including precious and semi-precious stones. It has also plentiful water resources. According to the estimate of the Central Ground Water Board, the total ground water resources in Orissa was 21,01,128 hectaremeter in 2001. The gross annual draft for all uses in 2001 was 3,10,689 hectaremeter. Accordingly, 14.79 percent of ground water resources had been harnessed till 2001. The total cultivable land of the State is nearly 65.59 lakh hectare of which only 26.89 lakh hectare has been provided with irrigation facilities by the end of 2003-04 which constitutes around 40% of the cultivable land. Planned exploitation and optimum utilisation of rich natural resources like mineral, land, water and others including human resources holds the key to rapid economic development of the State.

1.03 The State can be divided into ten agro-climatic zones on the basis of soil, weather and other relevant characteristics. Its land can be classified into three

categories, low (25.6%), medium (33.6%) and up-lands (40.8%) with various types of soil like red, yellow, red-loamy, alluvial, coastal alluvial, laterite and black soil etc. with low and medium texture. Characteristics of different agro-climatic zones in Orissa are presented in Table 1.1.

Table 1.1
Agro-climatic Zones in Orissa

Sl No	Agro-climatic zone	Climate	Mean annual rainfall (in mm)	Soil group
1	2	3	4	5
1	North western plateau	Hot and moist	1648	Red and yellow
2	North central plateau	Hot and moist	1535	Red loamy
3	North eastern coastal plateau	Hot and moist sub-humid	1568	Alluvial
4	East and south eastern plateau	Hot and humid	1449	Costal alluvial saline (near the coast line)
5	North eastern ghat	Hot and moist sub-humid	1597	Laterite and brown forest
6	Eastern ghat high land	Warm and humid	1522	Red
7	South eastern ghat	Warm and humid	1522	Red, mixed red and yellow
8	Western undulating	Warm and moist	1527	Black, mixed red and black
9	West central table land	Hot and moist	1527	Red, heavy textured colourous
10	Mid central table land	Hot and dry sub-humid	1421	Red loamy, laterite mixed red and black

DEMOGRAPHIC PROFILE

1.04 Demographic profile has an important bearing on the development process. The population of Orissa increased from 316.60 lakh in 1991 to 368.05 lakh in 2001. The decennial growth rate of population of Orissa during 1991-01 was 16.25% as against 20.06% in the previous decade. The decline in the growth rate may be attributed to the rise in literacy rate, effective dissemination of the message about benefits of small family, and the drive launched by the State Government to provide better access to family planning measures. The sex ratio in the State i.e. number of females per 1,000 males marginally increased from 971 in 1991 to 972 in 2001 as compared to the all India average, which increased from 927 to 933 during the same period. The density of population, which was 203 persons per sq km in 1991, increased to 236 per sq km in 2001. The urban population of

13.38% in 1991 increased to 14.99% in 2001. On the literacy front the achievement has been impressive as the literacy rate increased from 49.09% in 1991 to 63.1% in 2001 as against an increase from 52.10 % to 64.8% at the national level during the same period. The male and female literacy rates which were 63.1% and 34.7% in 1991 have increased to 75.3% and 50.5% respectively in 2001. Female literacy continues to be an area of concern despite notable achievement during last decade.

1.05 Scheduled Castes and Scheduled Tribes population in the State, as per 2001 census, was 60.82 lakh and 81.45 lakh respectively which was 16.5% and 22.1% of the total population of the State as against 16.2% and 22.2% in the previous census in 1991. The decennial growth rate of SC & ST population during 1991-01 was 18.6% and 15.8% respectively. Similarly as per 2001 census the sex ratio among SC & ST people was 979 and 1003 respectively as against 936 and 978 at all India level.

EMPLOYMENT SITUATION

1.06 With the increase in population and consequent addition to the labour force, supply of labour continues to outstrip demand resulting in accentuation of the problems of unemployment and under-employment. The occupational classification as per 2001 Census shows that the total workers in the State account for 142.76 lakh constituting 38.79% of the total population of the State. Out of the total number of workers, main workers accounted for 67.2%. The main workers comprise of cultivators (35.8%), agricultural labourers (21.9%), household industries workers (4.2%) and other workers (38.1%). The proportion of male workers to male population and female workers to female population in 2001 stood at 52.5% and 24.7% respectively.

1.07 Growing unemployment particularly the phenomenon of educated unemployment, is one of the burning problems of the State. It has been estimated that the total backlog of unemployment at the beginning of 2004-05 was of the order of 9.97 lakh person-years. With 1.87 lakh person-years of additional labour force during the year and employment generation of 1.94 lakh person years, the level of unemployment expected by the end of 2004-05 will be of the order of 9.90 lakh person-years. In order to tackle the problem of un-employment, various wage employment and self employment programmes are being taken up during 10th plan period with special emphasis on generation of gainful employment opportunities in the secondary and tertiary sector. As against the target of generation of self-employment avenues for 10.07 lakh persons during Tenth Plan period,

achievement during 2002-03 and 2003-04 have been respectively 1.33 lakh & 1.68 lakh and expected employment generation during 2004-05 is about 1.94 lakh person.

1.08 As per the Live Register maintained by employment exchanges, at the end of 2003, the number of educated unemployed in the State was 6.11 lakh which comes to 82.79% of the total number of applicants i.e. 7.38 lakh. The number of registrations made in employment exchanges during 2003 was 1,68,824 and vacancies notified were 2,325. Out of the notified vacancies, placement was made in respect of 1,529 persons including the backlog of previous year.

STATE INCOME

1.09 The Gross State Domestic Product (GSDP) at constant prices (1993-94) of Orissa has increased from Rs.18,536.66 crore in 1993-94 to Rs.28,685.68 crore (quick estimate) in 2003-04, registering an annual compound growth rate of 4.46 percent over the period. Similarly, the Net State Domestic Product (NSDP) commonly known as State Income increased from Rs.16,184.88 crore in 1993-94 to Rs.24,613.00 crore (quick estimate) in 2003-04 at 1993-94 prices. The per capita income at constant prices (1993-94) has been estimated at Rs.6,487.00 in 2003-04 (Q) against Rs.4,896.00 in 1993-94. As against the Tenth Plan target growth rate of 6.2%, the growth rates during 2002-03 (P) and 2003-04 (Q) were respectively (-)0.07 percent and 14.40 percent. The growth rate during 2002-03 was negative due to drastic fall in agricultural production in view of severe drought and the growth rate during 2003-04 was abnormally high due to negative growth during 2002-03 and better performance of almost all the sectors accompanied with record production of food grain in agriculture sector as compared to 2002-03. The food grain production increased from 35.55 lakh MT in 2002-03 to 71.52 lakh MT during 2003-04.

GROSS FIXED CAPITAL FORMATION (GFCF)

1.10 The gross Fixed Capital Formation (GFCF) is one of the most important indicators to measure the magnitude of economic development at national as well as State level. At present, the estimates of Gross Fixed Capital Formation at current prices are being prepared in respect of public sector only of our State. Estimates of the same in respect of Private Sector are not being prepared because of non-availability of required data. The Gross Fixed Capital Formation for the Public Sector by Industry of use and type of assets of Orissa at current prices has increased from Rs.2288.66 Crore in 1993-94 to

Rs.3859.42 Crore during 2002-03 showing a compound growth rate of 5.98% during the period.

AGRICULTURE

1.11 Agriculture and Allied sectors continue to be the main-stay of the State's economy with a contribution of about 25.97% to NSDP during 2003-04 at 1993-94 prices. Taking into account the predominant position of this sector and the large percentage of people dependent on this sector, the State Government pronounced the State Agriculture Policy 1996 with the main objectives of doubling the production of food grains and oilseeds by the end of the Ninth Plan and to adopt agriculture as the main route for eradication of poverty. The Agricultural Policy 1996 is designed to bring about all-round development of the agricultural sector. Agriculture has been accorded the status of an industry under the new Agricultural Policy with a view to encouraging private sector investment.

1.12 According to Agricultural Census conducted by the Board of Revenue, there were 39.66 lakh operational holdings in Orissa in 1995-96 of which small and marginal holdings accounted for 81.97% while the remaining 18.03% came under the category of semi-medium, medium and large holdings. As much as 50.27% of the total operated area was owned by small and marginal farmers and the remaining 49.73% by the semi-medium, medium and large farmers.

1.13 Production of foodgrains has fluctuated over the years. Foodgrains production was 56.02 lakh MT and 49.75 lakh MT during 1999-2000 and 2000-01 respectively. The low production of foodgrains during 1999-00 was on account of the devastation caused by the Super Cyclone that hit the 14 fertile coastal districts of the State in Oct'99. During 2000-01, the foodgrains production declined further to a very low level of 49.75 lakh MT as the State experienced a drought situation. During 2001-02, there was a record production of foodgrains of 75.40 lakh MT as a result of bumper production of rice. But during 2002-03, the foodgrain production declined to a very low level of 35.55 lakh MT on account of severe drought in the State during Kharif-2002. Notwithstanding the natural calamities the contribution of Orissa to the foodgrains basket of the country, which was 2.07% in 2002-03, increased to 3.42% in 2003-04. During 2003-04, the production of food grain again reached the record level of 71.52 lakh M.T. Paddy was the major cereal crop in

the State with coverage of about 76.4% of the total gross cropped area under principal crops in 2003-04 followed by pulses (12.2%) and oilseeds (5.2%). Similarly, the area under fibre crops accounted for only 1.3% and other cash crops, which includes sugarcane, potato, chilly etc., constituted 2.0% of the total gross cropped area under principal crops. The target of food grain production for Tenth Plan is 472.77 lakh M.T. As against this, production of food grain during 2003-04 is 71.52 lakh M.T.

1.14 Land resources remaining almost the same the percapita availability of land in Orissa has considerably gone down from 0.39 hectare in the year 1950-51 to 0.15 hectare in 2003-04 due to increase in population during the period. It is, therefore, essential that the yield rate should be given substantial boost in view of reduction in the per capita availability of cultivated land, by adopting improved agricultural practices.

IRRIGATION

1.15 In the absence of adequate irrigation facilities, agriculture is pathetically dependent upon the monsoons. As a result of the erratic behaviour of the monsoon, agricultural production fluctuates widely from year to year. The net irrigation potential created by the end of 2003-04 from all sources was 26.89 lakh hectare which is 45.58% of the estimated irrigable area of the State. Out of 26.89 lakh hectare of irrigated area, 12.35 lakh hectare of land are irrigated through major and medium irrigation projects, 4.97 lakh through minor (flow), 3.84 lakh through minor (lift), and 5.73 lakh through other sources which include private tanks, ponds, dugwells, water harvesting structures and the like. However, assured irrigation available through major and medium irrigation projects accounts for 45.93% of the total area under irrigation. This underscores the need for stepping up the assured irrigation potential in order to insulate agriculture from the vagaries of monsoon. It has been targeted to create 4.65 lakh hectare irrigation potential through major and medium irrigation during the Tenth Plan period. As against this during 2004-05, additional irrigation potential of 46.49 thousand hectare is likely to be created.

FISHERIES

1.16 With a coast line of 480 kms and a continental shelf area of 24,000 sq km, there is excellent scope for marine fish production in the State. The inland fishery resources of the State include fresh water area of 6.66 lakh hectares and brackish water area of 4.18 lakh hectare. The State has thus vast scope for development of fisheries sector

and the allied activities. The total fish production in the State was 3.07 lakh tonne in 2003-04, of which the marine fish accounted for 38.08%, brackish water fish 7.98% and fresh water fish 53.95%. Export of fish to other states and countries during 2003-04 was estimated at 0.86 lakh tonne. The total fish production in the State was 2.89 lakh tonne in 2002-03, which increased to 3.07 lakh tonne in 2003-04, showing an increase of 6.13%. The percapita consumption of fish per annum in the State has remained unchanged i.e. on 8.28 k.g. in 2003-04

ANIMAL RESOURCES

1.17 Animal resources sector plays an important role in providing and supplementing income of rural households. The total livestock population in the State was 234.59 lakh as per livestock Census of 2001 of which cattle population alone accounted for 138.10 lakh, buffaloes 13.88 lakh, goats 58.80 lakh, sheep 17.79 lakh, pigs 6.02 lakh. The total milk production in the State in 2003-04 was 9.95 lakh tonne, with per-capita availability of 74 gm. per day. The production of milk during 2003-04 has increased by 5.7% than the production in 2002-03. Egg production in 2003-04 was 931.06 million showing an increase of 2.4% over the production level of 909.49 million during 2002-03. Meat production in 2003-04 was 44.89 thousand tonne as compared to 44.72 thousand tonne in 2002-03. There were 540 Veterinary Hospitals and Dispensaries, and 2,939 Livestock Aid Centres in the State by the end of 2003-04. During 2003-04, preventive inoculation were given to 105.21 lakh animals, 4.31 lakh castrations were performed and 51.06 lakh animals & birds were treated. During 2003-04, 1097 Milk Producers Co-operative Societies were functioning in the State. These societies procured 1,35,573 liters of milk per day on an average. The Tenth Plan target for milk and egg production are 55.14 lakh M.T. & 7,506 million nos. respectively.

FOREST

1.18 While the State had a total forest area of 59,963 sq km in the year 1981, in the year 2001-02 it declined to 58,135 sq km, which constitutes 37.3% of the total geographical area of the State. Therefore, the main thrust in the forestry sector is on afforestation of waste lands and rejuvenation of degraded forests. Besides, conservation of forests is being ensured by intensifying protective measures and enlisting people's involvement in checking illegal felling and removal of trees. During 2003-04, plantation and reforestation programmes have been carried out over 39,376 hectares against 17,489

hectares during 2002-03. The revenue receipts from forest produce were Rs.38.28 crore during 2003-04 against Rs.96.92 crore in the previous year i.e. 2002-03.

EDUCATION

1.19 Education is an indispensable input for development of human resources. While the overall literacy rate in 1951 was 15.8%, it was only 4.5% among females. The overall literacy rate in Orissa has increased to 63.1% and that for males to 75.3% and that for females to 50.5% as per 2001 Census. A major factor responsible for low educational level among females and persons belonging to scheduled castes and scheduled tribes are the high drop-out rate at primary school level, especially in the tribal and inaccessible areas.

1.20 By the end of 2003-04, there were 44,416 primary schools with 0.97 lakh teachers and enrolment of 52.54 lakh students. Government of India have introduced Education Guarantee Schemes (EGS) and Alternative and Innovative Education (AIE) Scheme in place of Non-formal Education. By the end of 2003-04, the number of upper primary schools in formal stream was 14,233 with 0.50 lakh teachers and enrolment of 12.33 lakh students. During 2003-04, 7,011 high schools were functioning in the State with 0.61 lakh teachers and enrolment of 12.96 lakh students.

1.21 The State has 9 universities and 1,679 general colleges with intake capacity of 3.87 lakh students. In the field of technical education, the State has made significant progress. By the end of 2003-04, there were 34 Engineering Colleges including 5 Government Colleges with intake capacity of 9,945 students and 27 Engineering Schools / Polytechnics including 13 in the Public sector with intake capacity of 5,550 students. Besides, there were 48 colleges in the State to provide Master Degree Courses in Computer Application (MCA) with intake capacity of 2,800 students. There were 176 Industrial Training Institutes including 24 under Government and 152 under private management, with intake capacity of 13,136 students. In the field of medical science, the State has three Medical Colleges, one Dental College, one Pharmacy Colleges, three Ayurvedic Colleges, four Homoeopathic Colleges and one Nursing College in the Government sector. Besides, there are two Ayurvedic colleges, two Homoeopathic colleges, and twenty one Pharmacy colleges in the Private sector.

POWER

1.22 During 2003-04, State's share in installed capacity in the State sector was 2,798.88 MW (hydro 1,918.88 MW and thermal 880.00 MW) against which power was available to the extent of about 1269 MW. In addition to this, 481 MW of power was received from Central sector projects towards State share and 76 MW of power was purchased from captive power plants installed in the State by different industries. Thus, from all sources about 1,826 MW of power was available against the estimated average demand of 1,500 MW. Out of 46,989 inhabited villages in the State, 38,258 villages have been electrified by the end of 2003-04 representing a coverage of about 81% of total inhabited villages.

1.23 Power sector reforms and restructuring have been implemented for promoting efficiency in the system. As part of reforms measures, Orissa State Electricity Board has been dissolved and power generation, transmission and distribution systems have been entrusted to Orissa Hydro Power Corporation (hydel power generation), Orissa Power Generation Corporation (thermal power generation), Grid Corporation of Orissa (transmission), and four distribution companies. An independent Regulatory Authority has been established to administer, regulate and monitor generation, transmission and distribution of power.

TRANSPORT AND COMMUNICATION

1.24 The road length in the State was 2.38 lakh Kms as on 31.03.2004. At the end of 2003-04, total railway route length in Orissa was 2287 km while the same at all India level was 63,122 km by the end of 2002-03. The density of railway route length per thousand sq km. area in the State is around 14.7 km. During 2003-04, about 12.72 lakh motor vehicles were on road in the State. Number of motor vehicles in the State per sq. km was 8.2 and per thousand population it was 34.6 During 2003, 6,638 road accidents were registered involving 2,200 death recorded.

HEALTH SERVICES

1.25 The National Health Policy aims at providing universal health care and access to medical services, covering preventive, promotive and curative aspects, to all sections of the society. By the end of 2003-04, there were 179 Hospitals, 202 Community Health Centres, 141 Primary Health Centres (PHCs), 1166 PHCs (New) and 13 Mobile Health Units in the State providing curative health services. Apart from these, 80 more

mobile health units are also operating in KBK districts with assistance from Government of India, of which 44 are in tribal and 36 in non-tribal areas. In addition there were 5 Ayurvedic Hospitals, 522 Ayurvedic Dispensaries, 9 Unani Dispensaries, 4 Government Homoeopathic Hospitals and 480 Homoeopathic Dispensaries by the end of 2003. Health care and population control were the two main objectives of the Ninth Plan. The Family Welfare Programme is being implemented by the State Government with the objective of motivating eligible couples to adopt spacing and terminal methods and ensuring child survival through universal immunisation. The death rate per thousand has been brought down from 21.6 in 1951 to 9.8 in 2002 and the infant mortality rate has been reduced from 97 per thousand live births in 1999 to 87 per thousand live births in 2002.

MINERALS

1.26 The State is endowed with vast mineral deposits like coal, iron-ore, manganese ore, bauxite, chromite etc. According to All-India Mineral Resources Estimates, the mineral deposits of Orissa in respect of chromite, nickel, bauxite, iron ore are about 97.37%, 95.09%, 49.74% and 33.91% respectively of the total deposits of India. Other important mineral resources of the State are limestone, china clay, quartz, precious and semi-precious stones, copper, vanadium etc. However, the rate of exploitation of different minerals is much below the potential. During 2003-04, the mineral production of the State was 1082.8 lakh tonne valued at Rs.5198.53 crore. The export of minerals and ores to different countries during 2003-04 was 76.40 lakh tonne valued at Rs.1186.53 crore. Mining royalties and other revenue collected during 2003-04 stood at Rs.550.76 crore as against Rs.443.53 crore in 2002-03 showing an increase of 24.18%.

INDUSTRY

1.27 With vast mineral resources, abundance of raw materials, comfortable power situation and sufficient skilled manpower, the State has an immense potential for industrialisation. Large industries like Rourkela Steel Plant, National Aluminium Company, Indian Charge Chrome Ltd., Paradeep Phosphate and coal based power plants at Talcher, Kaniha and Baharpal have been set up in the State during different Plan periods. At present, three nodal agencies, namely, Industrial Promotion and Investment Corporation Ltd. (IPICOL), Industrial Development Corporation Ltd. (IDCOL) and Orissa State Electronics Development Corporation (OSED) are engaged in promoting large and medium industries

in the State. By the end of 2003-04, Orissa had 361 large and medium industries with an investment of Rs.3596.86 crore and employment potential for 85,884 persons.

1.28 In recognition of the important role of small scale and village and cottage industries for rural development efforts have been made to provide institutional and financial support, in addition to various incentives and concessions, for promoting this sector. During 2003-04, 4,431 small scale industries with an investment of Rs.170.13 crore were set up in the State providing employment to 20,547 persons. Besides, 23,287 cottage industries have been set up in the State with an investment of Rs.69.89 crore and creating employment for 39,743 lakh persons during 2003-04.

1.29 The Tenth Plan target for Handloom Industry is to produce 900 lakh sq. MT of cloth with a view to create employment opportunities for 1.35 lakh people. During 2003-04, 88.44 lakh sq. MT of cloth was produced with an investment of Rs.152.27 crore providing employment to 1.15 lakh persons by the Handloom Industry.

POVERTY ALLEVIATION

1.30 As per the latest estimates of Planning Commission available for the State, the percentage of population below the poverty line was 48.01 in rural areas and 42.83 in urban areas in 1999-00. This gives the State the dubious distinction of being the poorest State in the country. Several anti-poverty and wage employment programmes are being implemented in the State since 1980-81 to create income generating assets and employment on daily wage basis for identified beneficiaries of target groups so as to enable them to cross the poverty line. These anti poverty programmes like Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Area (DWCRA), Training of Rural Youth for Self Employment (TRYSEM), Supply of Improved Toolkits to Rural Artisans (SITRA), Ganga Kalyan Yojana (GKY) and Million Well Scheme (MWS) have been merged into a single new scheme called "Swarnjayanti Gram Swarozagar Yojana" (SGSY) with effect from 1.4.1999. During 2003-04, 59,289 families have been assisted with income generating assets under SGSY with an investment of Rs.127.10 crore. A centrally sponsored scheme called "Sampoorna Gramin Rojgar Yojana (SGRY) has been constituted w.e.f. 25.09.01 by merging two wage employment generating schemes, namely JSGY and EAS. The main objective of the scheme is to provide additional wage employment in rural areas, ensure food security, create durable community assets and develop rural infrastructure. During 2003-04, about 618.57 lakh mandays of employment

have been generated under SGRY scheme (both the stream i.e. stream-I for previous EAS scheme and stream-II for previous JGSY scheme) with an investment of Rs. 386.09 crore.

DEVELOPMENT OF WOMEN

1.31 Several welfare programmes are being implemented in the State for development of women which include setting up of women's training centres, provision of short stay homes for women, rehabilitative services for women in distress, provision of old age pension etc. The female literacy rate in the State has increased from 4.5% in 1951 to 50.5% in 2001. The proportion of women to total employees in the organised sector has increased from 12.41% in 2000 to 13.78% in 2003. To increase the number of women in public services, 1/3rd of the vacancies in the State Government Departments in Group B, Group C and Group D services / posts required to be filled up through direct recruitment, have been reserved for women. Under State Old Age Pension Scheme (SOAP) 3.83 lakh (59.97%) women beneficiaries were covered during 2003-04. Similarly under National Old Age Pension Scheme (NOAD) 2.45 lakh (49.4%) women were benefited during the said period. The erstwhile scheme of Development of Women and Children in Rural Areas (DWCRA) has been merged with the new scheme "Swarna Jayanti Gram Swarajgar Yojana" (SGSY) with effect from 1st April 1999. During 2003-04, 38,667 women were benefited under this scheme. Besides, 106.21 lakh mandays of employment under Jawahar Gram Samridhi Yojana (JGSY) scheme and 100.45 lakh mandays of employment under Employment Assurance Scheme (EAS) have been generated for women during 2003-04. The above two wage employment programmes have been merged in to a single scheme called Sampoorna Gramin Rojgar Yojana (SGRY) which is being in operation w.e.f. 25.9.03 and 206.66 lakh mandays have been created for women.

WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES

1.32 One of the major concerns of the State has been to accelerate the allround development of scheduled tribes and scheduled castes who together constitute 38.6% (STs 22.1% and SCs 16.5%) of the total population of the State as per the 2001 Census. For historical reasons, this segment of the society has remained socially and economically backward. Therefore concerted efforts have been made under different Plans

to bring them into the mainstream of development. The State Government are committed to the development of these communities. Accordingly various special programmes and welfare measures have been launched for their benefit which include legal aid, rehabilitation of victimised STs and SCs, housing facilities, establishment of special employment exchanges, reservation in employment etc.

1.33 The Tribal Sub-Plan approach was adopted in the Fifth Plan and the Special Component Plan for SCs in the Sixth Plan. Allocations from out of plan programmes of the State are being earmarked for the Tribal Sub-Plan and Special Component Plan commensurate to the proportion of ST and SC population to the total population.

ORISSA BUDGET

1.34 The State Budget for 2004-05 was a balanced one. As per the original estimates under consolidated fund the receipt and expenditure were estimated at Rs.19872.5 crore and Rs.19699.9 crore respectively showing a surplus 172.6 crore. Under public account, the receipt and expenditure were estimated at Rs.10839.1 crore and Rs.11011.7 crore, thus showing a deficit of (-) 172.6 crore. Under contingency fund the receipt and expenditure were balanced, each being Rs.150.00 crore. The State's own resources which comprise of State's own tax (Rs.3,476.5 crore) and non-tax revenue (Rs.976.2 crore) were estimated at Rs.4,452.7 crore in 2004-05 as against the revised estimate of Rs.4,085.1 crore in 2003-04. The total tax revenue being Rs.7,918.1 crore, the percapita tax revenue in Orissa for the year 2004-05 has been estimated at Rs.2061.5 against Rs.1685.1 in 2003-04. The percapita non-tax revenue of the State was estimated at Rs.923.2 in 2004-05 as against Rs.867.3 as per the revised estimates for 2003-04. Orissa's own tax revenue and own non-tax revenue together constitute 38.8% of total estimated revenue receipts of Rs.11,463.1 crore in 2004-05 while the resources transferred from Central Government in the form of shared tax (Rs.4,441.6 crore) and grants contribution from Centre (Rs.2,568.81 crore) together constitute Rs.7,010.4 crore which is 61.2% of the total estimated revenue receipts.

EXTERNALLY AIDED PROJECTS (EAPs)

1.35 In order to bridge the resource gap for development project and programmes the State avails external assistance in the form of Additional Central Assistance (ACA) for implementation of Externally Aided Projects (EAPs) in the State. External agencies such as World Bank, DFID, International Fund for Agricultural Development, World Food Programme and agencies of different countries such as Germany, Denmark, Switzerland, Sweden, Norway, U.K., Japan etc. have extended financial assistance in selected areas for economic development.

1.36 Twenty three Externally Aided Projects (EAPs) including thirteen pipeline projects covering different sectors like Agriculture, Education, Health, Works, Energy, Irrigation, Housing & Urban Development and Welfare of SC & ST are intended to be implemented during Annual Plan 2004-05. Out of the 12 ongoing EAPs, one is being implemented exclusively in the KBK districts, seven are in non-KBK districts and the remaining four are spread in both KBK and non-KBK districts. Thirteen Pipe line Projects are at different stages of finalisation. Of these thirteen pipe line projects, eight projects will be implemented in the non-KBK districts. The remaining five projects will have presence all over the State including the KBK districts. The Ninth Plan envisaged an outlay of Rs.4,344.34 crore out of the total State Plan outlay of Rs.15,000.00 crore which comes to 29% of the total State Plan outlay. The Tenth Plan envisages an outlay of Rs.6,181.10 crore out of the total State Plan outlay of Rs.19,000.00 crore which amounts to 32.5% of the total State Plan outlay for implementation of the ongoing as well as pipe line EAP projects. The Annual Plan 2004-05 document submitted to Planning Commission envisages an outlay of Rs.765.00 crore for the sector (Rs.631.26 crore for the ongoing EAPs and Rs.133.74 crore for proposed new EAPs), An amount of Rs.54.22 crore has been targeted to flow to the KBK districts for implementations of both ongoing and proposed EAPs during 2004-05. Some new projects are also likely to be conceptualized during 2004-05. In order to ensure successful implementation of EAPs in the State, Government have taken a number of steps which includes release of LC in time, higher delegated power to Engineering Departments for according Administrative and technical approvals and regular monitoring.

PUBLIC SECTOR ENTERPRISES (PSEs)

1.37 The State Government, as part of the planned economic development programme, has set up a number of undertakings in various sectors like power, transport,

construction, forestry, fisheries etc. to harness local resources and to provide quality service to the public. As on 31st March 2003, there were 67 Government companies and four working statutory corporations. Out of these, 37 are working PSUs and the total investment in these 37 working PSUs was Rs.12,218.88 crore (equity : Rs.2,418.59 crore + long term loan : Rs.9,800.29 crore).

1.38 The Government is according top priority to Public Enterprises Reform in pursuance of the changed industrial scenario in the country. The steps contemplated include dis-investment, financial restructuring, creation of social safety net for redundant employees and implementation of voluntary retirement schemes for the employees of the State PSEs. Financial assistance is being sought from international financial institutions for restructuring the State PSEs on the above lines.

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