CHAPTER 1

SOCIO-ECONOMIC PROFILE

SOcio-eConOMIC BACKDROP

1.01 Orissa occupies 4.74% of India's landmass and houses 3.58% of the country's population. The State comprises of 3 revenue divisions, 30 districts, 58 sub-divisions, 171 tahasils, 314 community development blocks, 6234 gram panchayats and 51,349 villages. Nearly 85% of its population live in the rural areas and mostly depend on agriculture and allied activities for their livelihood. The State is highly rich in mineral resources and has abundant water resources. The total amount of replenishable ground water of the State has been assessed to be 21.01 lakh hectare meter out of which 18.31% has been harnessed as on 31.3.2004. The annual draft for irrigation use is 3.00 lakh hm. The gross annual utilization of ground water is estimated to be 3.84 lakh hm. The total cultivated land of the State is nearly 58.40 lakh hectares, of which only 26.96 lakh hectares were covered under irrigation by the end of 2004-05. This indicates that prudent exploitation and optimum utilization of water resources is yet to be achieved.

1.02 The State is divided into ten agro-climatic zones with varied 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

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

DEMOGRAPHIC PROFILE

1.03 The population of Orissa, which was 316.60 lakh in 1991, has increased to 368.05 lakh in 2001 exhibiting a decennial growth rate of 16.25 percent as against 20.06 percent in the previous decade and 23.86 percent at all-India level. The density of population, which was 203 per sq.km. in 1991 has increased to 236 per sq.km. in 2001 and is much lower than the all-India average of 313 per sq.km. Increase in the literacy rate from 49.10 percent in 1991 to 63.08 percent in 2001 is a milestone. The male and female literacy rates have gone up to 75.35 percent and 50.51 percent respectively in 2001.

1.04 Scheduled Castes and Scheduled Tribes population in the State, as per 2001 Census, were 60.82 lakh and 81.45 lakh respectively, which were 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 1991-2001 was 18.6% and 15.8% respectively. As per 2001 Census, the sex ratio among SC & ST population was 979 and 1003 respectively against 936 and 978 at all-India level.

EMPLOYMENT SITUATION
1.05 With the increase in population and consequent addition to the labour force, supply of labour continues to outstrip demand resulting in increase in level of unemployment and underemployment. 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.

1.06 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 2005-06 was of the order of 9.90 lakh person-years. With 1.89 lakh person-years of additional labour force during the year and 1.97 lakh person years of employment generation during 2005-06, it is expected that the level of unemployment by the end of 2005-06 will be of the order of 9.82 lakh person-years. Keeping in view the growing unemployment particularly among the educated youth, Government have framed a State Employment Policy. As a part of this policy, State Govt. have constituted a High Power Employment Mission under the chairmanship of Hon’ble Chief Minister. In order to tackle the problem of unemployment, various wage-employment and self-employment programmes are being taken up with special emphasis on generation of gainful employment opportunity in the secondary and tertiary sectors. Since the employment opportunity in the organized sector is limited, emphasis is being laid on creation of self-employment opportunities. As such, a number of self-employment schemes including information kiosks, BPO complex, shopping units in urban areas, cultivation of medicinal plants etc. have been launched in the State and educated youth are being motivated to avail the facilities.

1.07 As per the Live Register maintained by employment exchanges, at the end of 2004, the number of educated unemployed in the State was 7.45 lakh, which comes to 86.73% of the total number of applicants of 8.59 lakh. The number of registrations made in employment exchanges during 2004 was 2, 67,337 and vacancies notified was 1760.
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**STATE INCOME**

1.08 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.29,487.94 crore (Advn. Estimate) in 2004-05 registering an annual compound growth rate of 4.31 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.25,178.98 crore (Advn. Estimate) in 2004-05 at 1993-94 prices. The per capita income at constant prices (1993-94) has been estimated at Rs.6,555/- in 2004-05 (Advn. Estimates) against Rs.4,896/- 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% and 14.40%. 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 in almost all the sectors including a record production of food grain during the year. As per the estimate of Directorate of Economics and Statistics, the food grain production decreased from 71.52 lakh MT in 2003-04 to 69.65 lakh MT during 2004-05.

**SOCIO-ECONOMIC PROFILE**

**GROSS FIXED CAPITAL FORMATION (GFCF)**

1.09 The gross Fixed Capital Formation (GFCF) is one of the most important indicators to measure the magnitude of economic development of the State. At present, the estimates of Gross Fixed Capital Formation at current prices are being prepared in respect of public sector only. 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 at current prices has increased from Rs.2288.66 crore in 1993-94 to Rs.3859.42 crore in 2002-03 showing a compound growth rate of 5.98% during the period.

**AGRICULTURE**

1.10 Agriculture and allied sectors continue to be the main-stay of the State’s economy with a contribution of about 25.75% to NSDP during 2004-05 at 1993-94 prices. Taking into account the predominant position and dependence of large percentage of people 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.
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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.

1.11 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.

1.12 Production of food grains has fluctuated over years. As per the estimates of the DES, food grains production was 49.75 lakh MT and 75.40 lakh MT during 2000-01 and 2001-02 respectively. The low production of food grains during 2000-01 was on account of the severe drought situation in the state. DES estimates further show that during 2001-02, there was a record production of food grains of 75.40 lakh MT as a result of bumper production of rice which declined to a very low level of 35.55 lakh MT during 2002-03 on account of severe drought in the State during Kharif-2002. Not withstanding the natural calamities, the contribution of Orissa to the food grains basket of the country increased from 2.07% to 3.42% between 2002-03 to 2003-04. During 2003-04, the production of food grain again reached the record level of 71.52 lakh M.T. Paddy, the major cereal crop in the State constitutes 94.16% of the total food grains production. During 2004-05, food grains production reached 69.65 lakh M.T. i.e. 2.61% less than that of the previous year. The area covered by rice during 2004-05 is 76.9%, followed by pulses (11.2%) and oil seeds (5.6%). The area under fibre cultivation accounted for only 1.4% and other crops i.e. sugar cane, potato, chilli etc. 2.0% of the total cultivated area during 2004-05.

1.13 Land resources remaining almost the same, the per-capita availability of land in Orissa has considerably gone down from 0.39 hectare in the year 1950-51 to 0.15 hectare in 2004-05 due to increase in population. It is, therefore, essential that the yield rate should be given substantial boost by adopting improved agricultural practices.

SOcio-EconOmic Profile

IRRIGATION
1.14 In the absence of adequate irrigation facilities, agriculture is pathetically dependent on monsoon. Because of erratic monsoon, agricultural production fluctuates widely from year to year. The net irrigation potential created in the State by the end of 2004-05 from all sources was 26.96 lakh hectares, which is around 46.6% of the estimated irrigable area of the State. Out of 26.96 lakh hectares of irrigated area, 12.37 lakh hectares of land are irrigated through major and medium irrigation projects, 5.04 lakh hectares through minor (flow), 3.76 lakh hectares through minor (lift), and the rest through other sources which include private tanks, ponds, dug-wells, water harvesting structures and the like. However, assured irrigation available through major and medium irrigation projects accounts for 45.87% 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.

**FISHERIES**

1.15 With a coastline 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 hectares. The State has thus vast scope for development of fisheries sector and the allied activities. During 2004-05, total fish production in the State was 3.16 lakh tonne, i.e. an increase of about 2.9% over the production of 3.07 lakh tonne in 2003-04. Out of total fish production of 3.16 lakh tonne in 2004-05, fresh water fish production constituted 53.86% followed by marine fish 38.61% and brackish water fish production 7.53%. While the export of fish from the State during 2004-05 was 91.75 TMT showing an increase of about 22.2% over 2000-01, the import of fish has come down from 41.99 TMT during 2000-01 to 37.01 TMT during 2004-05 showing a decline of 11.86 %. During the same period the per-capita consumption of fish increased from 7.71 to 8.3 kg. per annum which is still far behind the 11 kg. per annum recommended by W.H.O.

**ANIMAL RESOURCES**

1.16 Animal resources sector plays an important role in providing and supplementing income of rural households. As per livestock census conducted in 2003, the total livestock population in the State was 240.22 lakh of which cattle population alone accounted for 142.81 lakh, buffaloes 14.39 lakh, goats 59.74 lakh, sheep 17.59 lakh and pigs 5.69 lakh.
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The total milk production in the State in 2004-05 was 12.83 lakh tonne, with per-capita availability of 92 gm. of milk per day. The production of milk during 2004-05 has increased tremendously i.e. by 28.9% than the production in 2003-04. Egg production in 2004-05 was 1215.96 million showing an increase of 30.6% over the production level of 931.06 million during 2003-04. Meat production in 2004-05 was 50.53 thousand tonne as compared to 44.89 thousand tonne in 2003-04. There were 540 Veterinary Hospitals and Dispensaries, and 2,939 Livestock Aid Centres in the State by the end of 2004-05. During 2004-05, total 49.37 lakh animals were treated, 112.74 lakh animals were vaccinated and 2.13 lakh animals dewormed. During 2004-05, 1885 Milk Producers’ Co-operative Societies were functioning in the State. These societies procured 1, 88,500 kg. of milk per day on an average. The Tenth Plan targets for milk and egg production are 55.14 lakh M.T. & 7,506 million nos. respectively.

FOREST

1.17 The State has forest area of 58,136 sq. km; which constitutes 37.3% of the State’s geographical area. However, the State Forest Report, 2003 of Forest Survey of India indicates that out of the recorded forest area of 58,136 sq.km; only 48,366 sq. km. (31.06%) of the State’s geographical area is under forest cover. Out of the 48,366 sq.km; 288 sq.km. is very dense forest, 27,882 sq.km. is moderately dense forest and 20,196 sq.km. is open forest. In addition to these, there is additional 6,381 sq.km. of area under tree cover. In order to achieve the 33% forest cover as recommended in National Forest Policy, 1988, afforestation of wasteland and rejuvenation of degraded forest are being accelerated. Besides emphasis is being laid on conservation of forests by intensifying protective measures and enlisting people’s involvement through joint forest management committees in checking illegal felling and removal of trees. During 2004-05, plantation / afforestation programme has been carried over an area of 24,605 ha. The revenue receipt from forest produce which was Rs. 49.81 crore in 2003-04 has increased to Rs. 85.00 crore during 2004-05. Kendu leaf is a major source of forest revenue. Orissa Forest Development Corporation is the nodal agency for Kendu leaf trading. During 2004-05, 3.89 lakh qtls. of Kendu leaf were sold valued at Rs. 132.02 crore.

EDUCATION

1.18 Education is one of the indispensable inputs for human resource development. Improvement of skill is possible only through education in various areas. The literacy rate in the State has increased from 15.8% in 1951 to 63.8% in 2001. During the same period, the female literacy rate has also increased
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of 21,912 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 thirteen Pharmacy colleges in the private sector.

POWER

1.20 During 2004-05, State’s share in installed capacity in the State sector was 2798.88 MW (hydro 1918.88 MW and thermal 880.00 MW) against which power was available to the extent of about 1429 MW. In addition to this, 498 MW of power was received from Central sector projects towards State share and 69 MW of power was purchased from captive power plants installed in the State by different industries. Thus, from all sources, about 1996 MW of power was available against the estimated demand of 1986 MW. Out of 46,989 inhabited villages in the State, 37,744 villages have been electrified by the end of 2004-05 representing coverage of about 81% of total inhabited villages.

1.21 Orissa has the distinction of being the pioneer state in power sector reforms and restructuring. As part of
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reforms measures, the erstwhile Orissa State Electricity Board was dissolved and power generation, transmission and distribution systems were entrusted to Orissa Hydro Power Corporation (hydel power generation) and Orissa Power Generation Corporation (thermal power generation), Grid Corporation of Orissa (transmission) and four distribution companies (distribution). Further, in accordance with the provisions of Electricity Act 2003, enacted by Govt. of India, the trading of power has been retained by GRIDCO, while a separate body i.e. Orissa Power Transmission Corporation Ltd. has been created to look after power transmission. An independent Regulatory Authority has been established to administer, regulate and monitor generation, transmission and distribution of power.

TRANSPORT AND COMMUNICATION

1.22 In the absence of adequate internal rail links, surface roads have remained the major means of transportation in the State. As per the estimates of Planning Commission, about 40% of the villages in Orissa have all-weather road as compared to 60% at all-India level. The road length in the State was 2.37 lakh km. in 2004-05. At the end of 2004-05, total railway route length in Orissa was 2287 km. including 91 km. of narrow gauge railway. The density of railway route length per thousand sq km. area in the State is around 14.7 km.

1.23 Out of 11 major ports in the country, Paradeep is the only major port belonging to Orissa through which mineral & metallurgical products are being exported. During 2004-05, 216.66 lakh MT of goods were exported and 84.38 lakh MT of goods imported through this port as against 186.08 lakh MT of goods exported and 67.03 lakh MT goods imported during 2003.04.

HEALTH SERVICES

1.24 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 2004-05, there were 174 Hospitals, 231 Community Health Centres, 120 Primary Health Centres (PHCs), 1162 PHCs (New) and 14 Mobile Health Units in the State providing curative health services. Apart from these, 90 programme-specific mobile health units are
also operating in KBK districts with assistance from Government of India under RLTAP. In addition, there were 5 Ayurvedic Hospitals, 607 Ayurvedic dispensaries, 9 Unani Dispensaries, 4 Government Homoeopathic Hospitals and 533 Homoeopathic Dispensaries by the end of 2004. 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 10.5 to 9.7 during the period 2000-2003 and the infant mortality rate has been reduced from 97 per thousand live births in 1999 to 83 per thousand live births in 2003.

MINERALS

1.25 The State is endowed with vast mineral deposits like coal, iron-ore, manganese ore, bauxite, chromite etc. However, the rate of exploitation of different minerals is much below the potential. During 2004-05, the mineral production of the State was 1270.48 lakh tonne valued at Rs.6148.61 crore. The export of minerals and ores to different countries during 2004-05 was 171.67 lakh tonne. Mining royalties and other revenue collected during 2004-05 stood at Rs.670.51 crore as against Rs.550.76 crore in 2003-04 showing an increase of 21.74%.

INDUSTRY

1.26 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 Phosphates and coal based power plants at Talcher, Kaniha and Banharpal 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 (OSEDC) are engaged in promoting large and medium industries in the State. By the end of 2004-05, Orissa
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State 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. Swarn Jayanti Gram Swarojgar Yojana (SGSY) is the main Centrally Sponsored self-employment programme implemented in the State since 1st April 1999. During 2004-05, 65712 beneficiaries have been assisted with income generating assets under SGSY with an investment of Rs.156.91 crore. Another Centrally Sponsored scheme called "Sampoorn Gramin Rojgar Yojana (SGRY)" has been launched 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 2004-05, about 553.94 lakh mandays of employment have been generated under SGRY scheme. State Govt. is also poised to implement the Employment Guarantee Act from 2006-07.

1.30 State Government have constituted a Poverty Task Force (PTF) headed by Development Commissioner to devise an actionable poverty reduction strategy. PTF recommends that vigorous efforts need be made to reduce poverty by at least 7% at a simple rate of 1.4% per year during Tenth Plan period. A further reduction in poverty by about 10% may be attempted in eleventh Plan Period (up
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, 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 among total employees in the organised sector has increased from 12.41% in 2000 to 14.31% in 2004. 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) 3.43 lakh (51%) women beneficiaries were covered during 2004-05. Similarly under National Old Age Pension Scheme (NOAP), 2.51 lakh (51.0%) women were benefited during the said period. During 2004-05, around 60,000 (i.e. about 85%) women were benefited under SGSY. Under SGRY, 553.94 lakh labour days of employment were generated, out of which 181.65 lakh labour days were created by women.

WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES

1.32 One of the major concerns of the State has been to accelerate the all-round development of scheduled tribes and scheduled castes that 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 is committed to the development of these communities. Accordingly, various special programmes and welfare measures have been launched for their benefit which includes 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...
budgets of the State are being earmarked for the Tribal Sub-Plan and Special Component Plan commensurating to the proportion of ST and SC population to the total population.

**ORISSA BUDGET**

1.34 The State Budget for 2005-06 was a balanced one. As per the original estimates under Consolidated Fund, receipt and expenditure were estimated at Rs.18477.84 crore and Rs.18464.2 crore respectively showing a surplus Rs.13.7 crore. Under Public Account, the receipt and expenditure were estimated at Rs.7940.0 crore and Rs.7953.7 crore, thus showing a deficit of 13.7 crore. Under Contingency Fund, the receipt and expenditure were shown balanced at Rs.150.00 crore. The State's own resources which comprise of State's own tax (Rs.4010.0 crore) and non-tax (Rs.1061.3 crore) revenue were estimated at Rs.5, 071.3 crore in 2005-06 as against the revised estimate of Rs.4, 617.2 crore in 2004-05. The total tax revenue being Rs. 8,170.2 crore, the percapita tax revenue in Orissa for the year 2005-06 has been estimated at Rs.2100.3 against Rs.2061.5 in 2003-04. The percapita non-tax revenue of the State was estimated at Rs.923.2 in 2004-05. Orissa's own tax revenue and own non-tax revenue together constitute 40.0% of total estimated revenue receipts of Rs.12, 693.2 crore in 2005-06 while the resources estimated to be transferred from Central Government in the form of shared tax (Rs.4, 160.1 crore) and grants contribution from Centre (Rs.3, 461.7 crore) together constitute Rs.7, 621.8 crore which is 60.0% of the total estimated revenue receipts.

**EXTERNALLY AIDED PROJECTS (EAPs)**

1.35 In order to bridge the resource gap for development projects, the State avails financial assistance from various external sources including international donors viz. Germany, World Bank, DFID, JICA, JBIC etc. Eighteen (18) Externally Aided Projects (EAPs) which include seven (7) ongoing projects and eleven (11) pipeline projects are programmed for implementation during the Annual Plan 2005-06 covering sectors like Works, Irrigation, H & UD, Forestry, Rural Development, Welfare of SC & ST etc.

1.36 State Govt. have taken appropriate steps to ensure successful implementation of these EAPs. The Chief Secretary and the Development Commissioner-cum-Additional Chief
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Secretary monitor the implementation of the EAPs while the mega projects are monitored by office of the Chief Minister. It is expected that focus on improved monitoring of these projects shall help timely implementation of these projects and to sort out inter-departmental problems.

PUBLIC SECTOR ENTERPRISES (PSEs)

1.37 As a part of the planned economic development programme, State Govt. have 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 2005, there were 67 Government Companies and four working Statutory Corporations. Out of these 67 PSUs, 36 were working PSUs with investment of Rs.12, 315.28 crore (equity Rs.2, 201.20 crore and term loan Rs.10, 114.08 crore). Further, out of 36 working PSUs, 14 were loss making PSUs during 2003-04.

1.38 The Government are according top priority to Public Enterprises Reform in pursuance of the changed industrial scenario in the country. The steps contemplated include disinvestment, financial restructuring and 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 line.

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