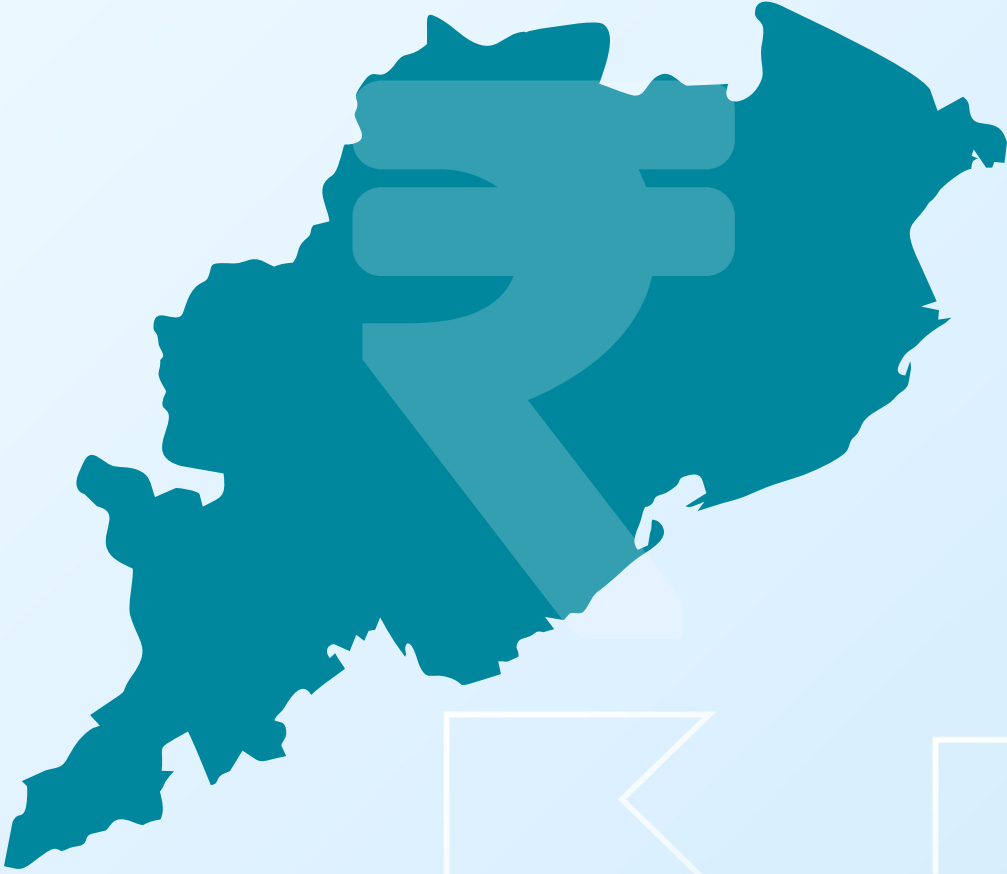




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CREATING CIVIL SERVANTS FOR THE NATION



Odisha **Economic** Survey 2023-24

Odisha Economic Survey 2023-24 Highlights

Introduction

- India is one of the fastest growing economies in the world. As per International Monetary Fund (IMF), **India is the world's fifth largest economy (2023)**.
- India's rapid growth is witnessed across sectors registering a growth rate of 8.2 per cent in 2023-24.
- Odisha's economy has recovered well from the slump of the COVID-19 and witnessed growth across sectors.

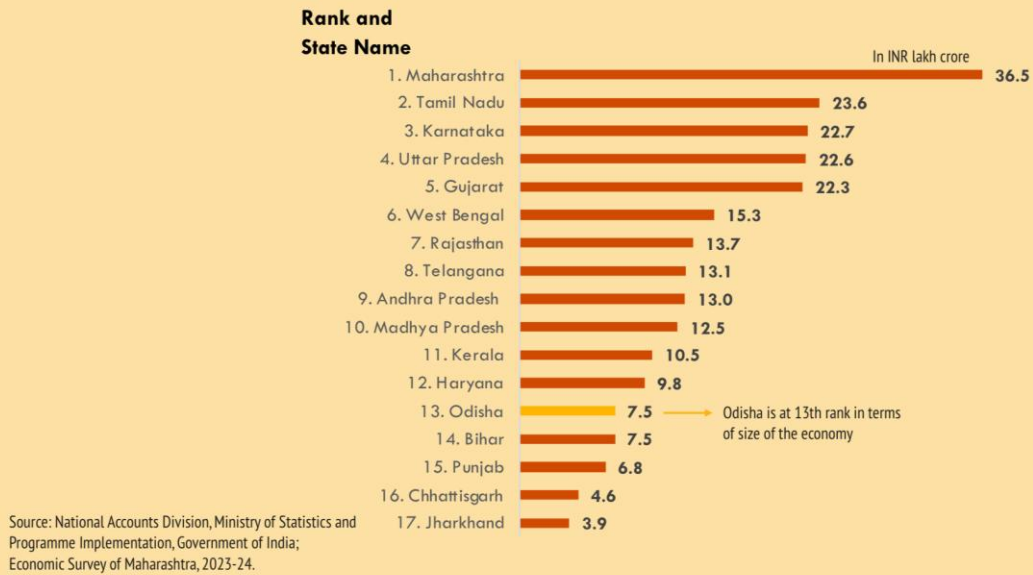
Economic Growth

- In 2023-24 (Advance estimates (AE)), the size of the **Odisha economy is estimated to be INR 8.3 lakh crore, which is nearly USD 100 billion**.
- In the preceding year, i.e., 2022-23, in comparison with 17 major states, Odisha ranked 13th as shown in Figure



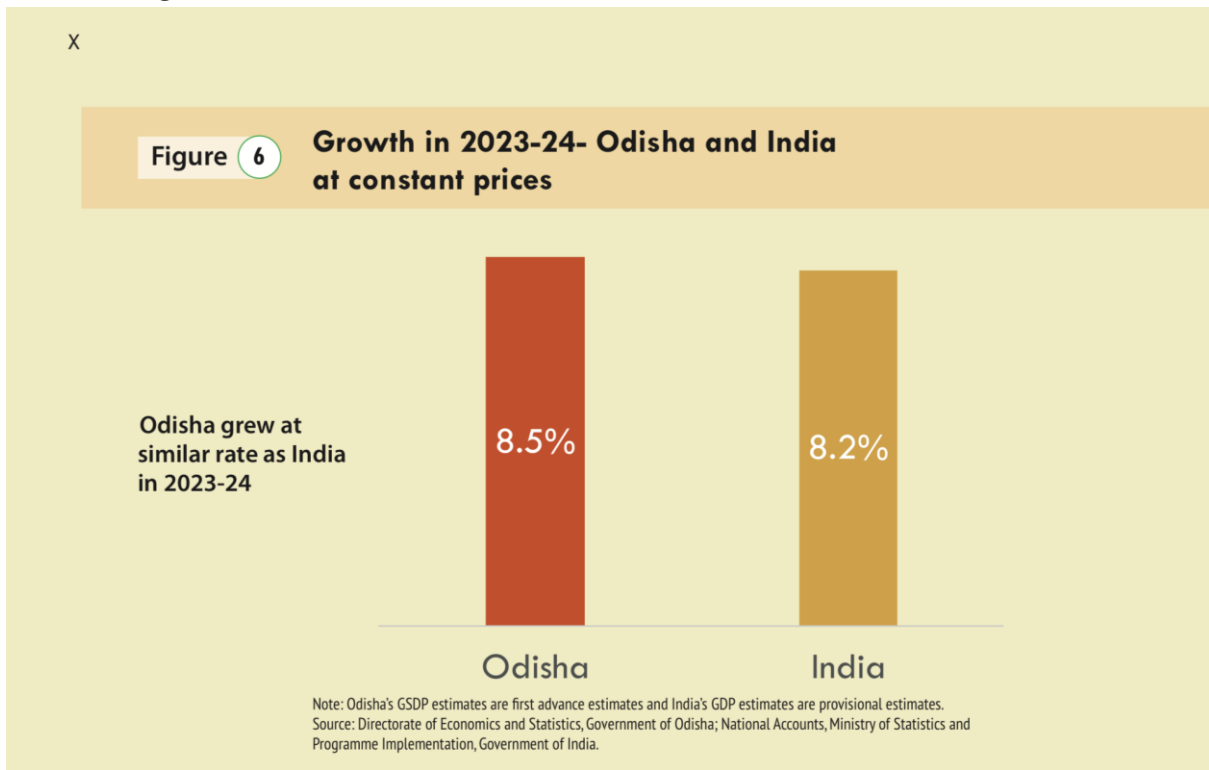


Figure 2 Size of state economies in 2022-23 (GSDP at current prices)



Growth Rate:

- Odisha grew at 8.5% in 2023-24 while India at 8.2%

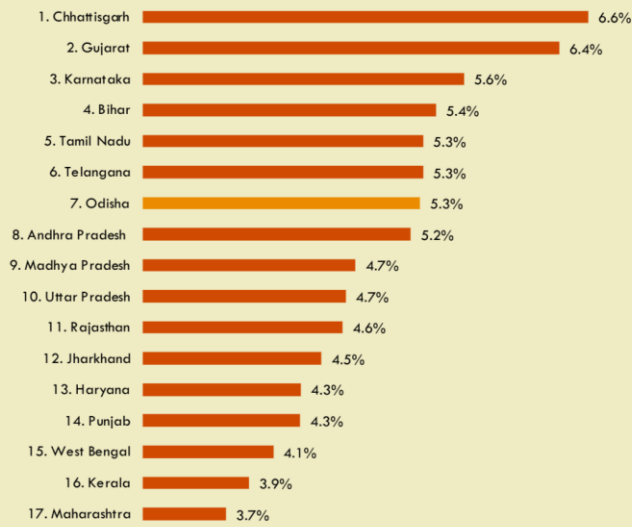


Gross State Domestic Product(2018-19 to 2022-23)

- State's GSDP rate was 5.3% and it was 7th in all India levels.

Figure 7

State wise Average GSDP Growth at constant prices(2018-19 to 2022-23)



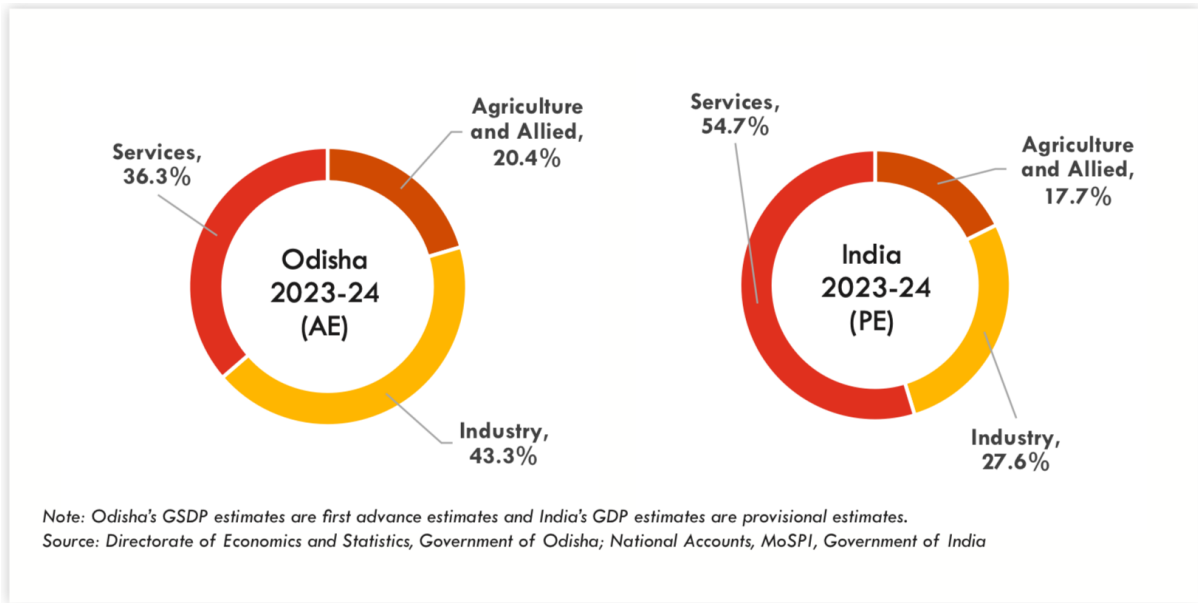
Source: Directorate of Economics and Statistics, GoO; National Accounts, Ministry of Statistics and Programme Implementation, Government of India.

Sectoral composition and growth



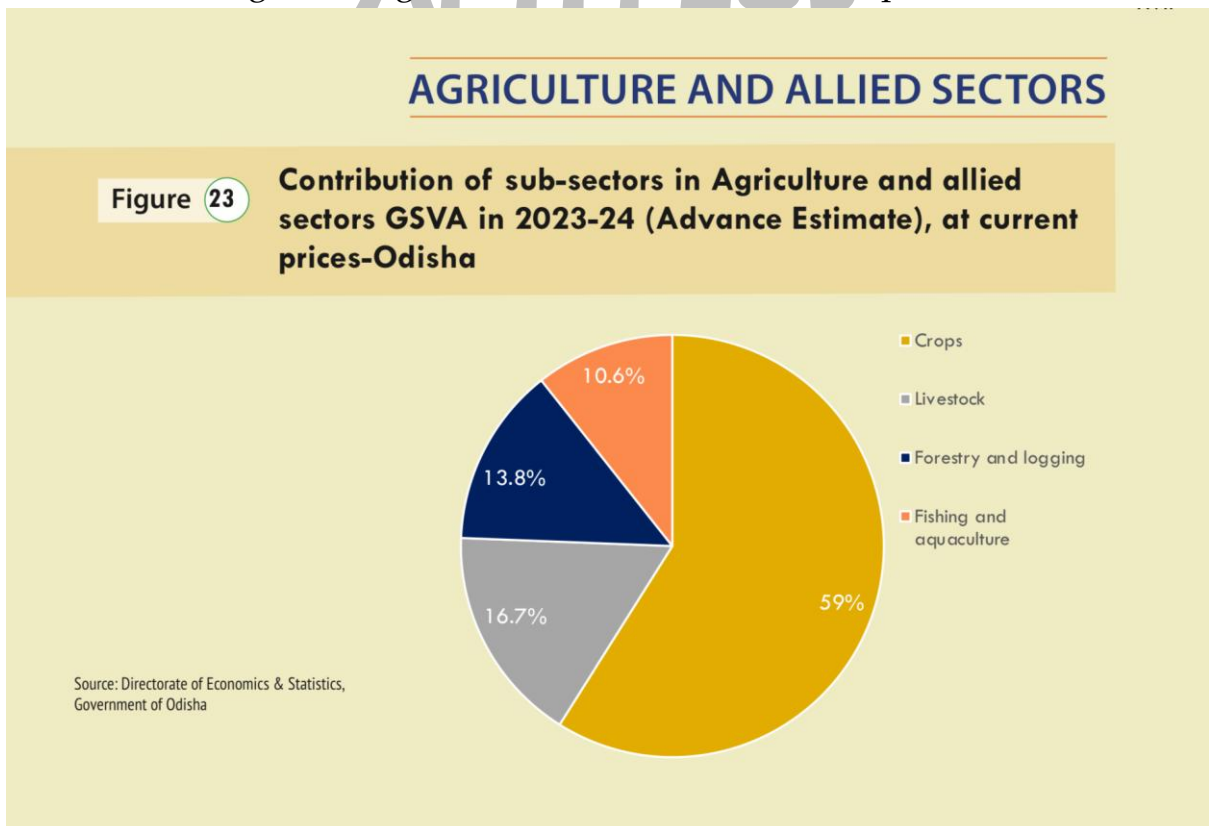
Sectoral Composition

- With the size of nearly INR 1.5 lakh crore in 2023-24 (AE), the Agriculture and Allied sector contributes around 20.4 per cent to State GVA.
- Industry sector holds a prominent position in Odisha economy, contributing INR 3.1 lakh crore with a share of 43.3 percent in State GVA.
- Services sector contribution to State GVA in 2023-24 (AE) is approximately INR 2.6 lakh crore with a share of 36.3 per cent. The sectoral composition of Odisha in 2023-24 (AE) is shown in Figure 1.4.



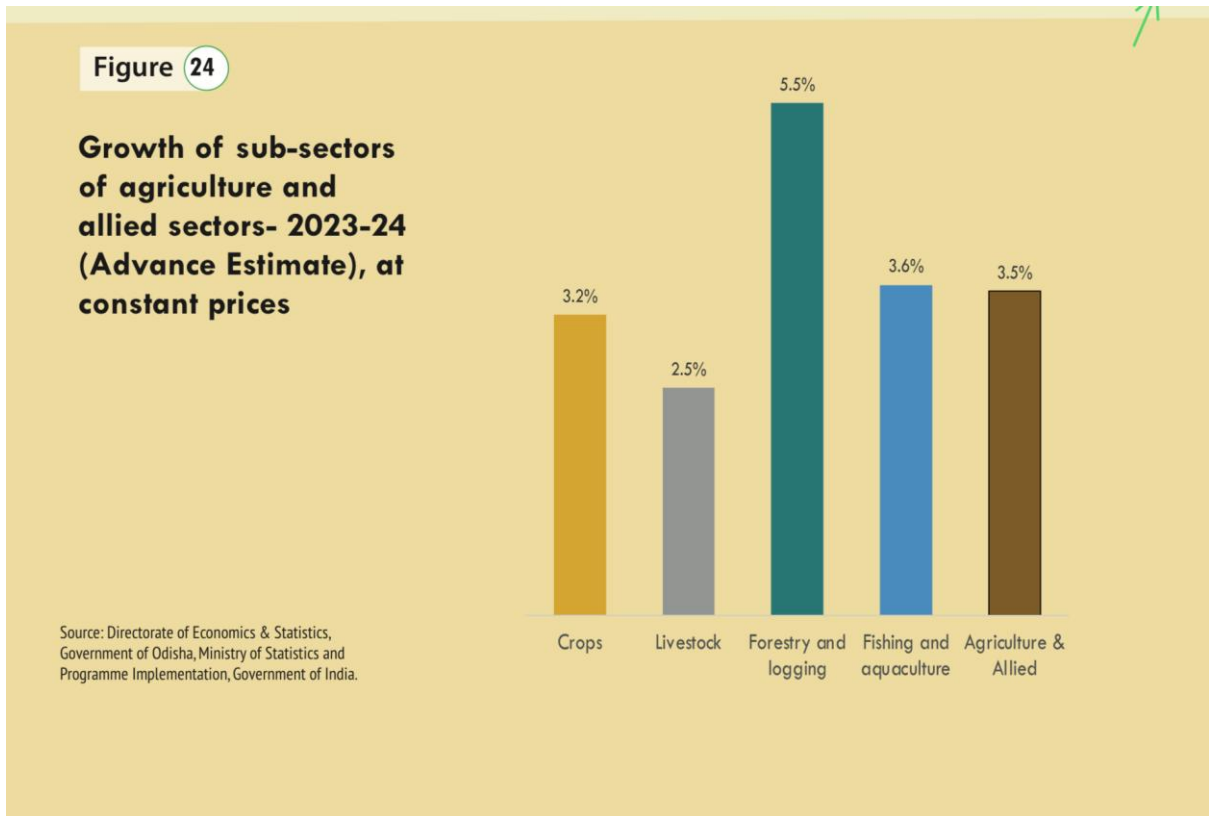
Agriculture and Allied sector

- In terms of contribution of sub-sectors in Agriculture and allied sectors GSVa in 2023-24 (Advance Estimate), at current prices-Odisha, fishing and aquaculture contributes highest in agriculture and allied sector component.



Growth of sub-sectors of agriculture:

- Growth of sub-sectors of agriculture and allied sectors- 2023-24 (Advance Estimate), at constant prices was highest in Forestry and logging.

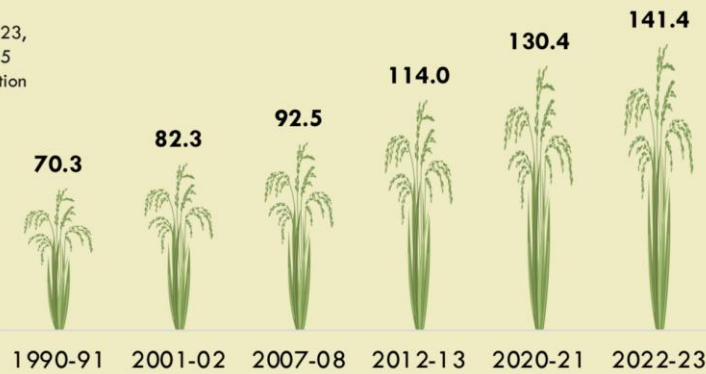


Food grain production

- Between 1990-91 to 2022-23, Population multiplied by 1.45 times and foodgrain production grew by 2.0 times.

Figure 26 Foodgrain Production (in Lakh MT)

Between 1990-91 to 2022-23, Population multiplied by 1.45 times and foodgrain production grew by 2.0 times

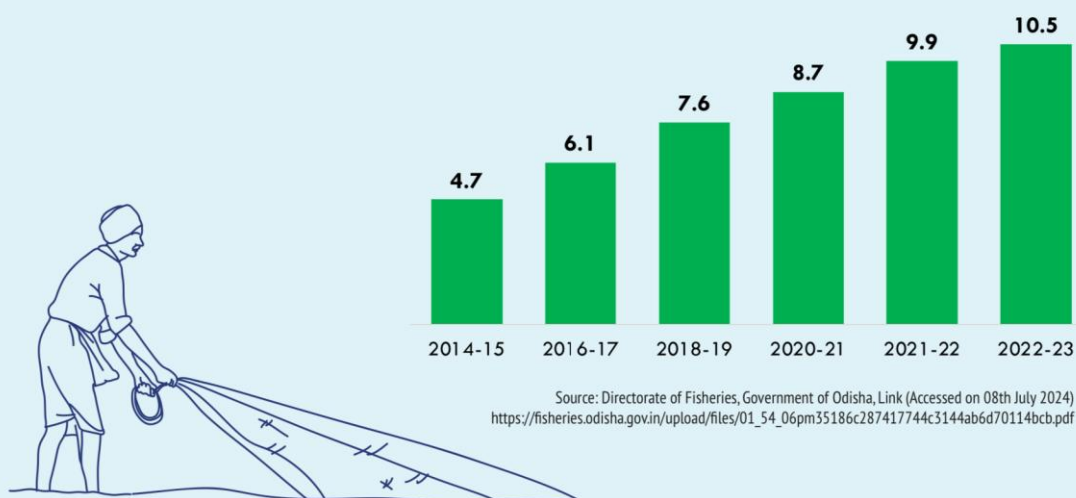


Source: Directorate of Agriculture and Food Production, Government of Odisha.

Fish production

- It was 10.5 Lakh Million tonnes in 2022-23 as compared to 4.7 lakh million tonnes in 2014-15.

Figure 31 Fish Production in lakh MT in Odisha

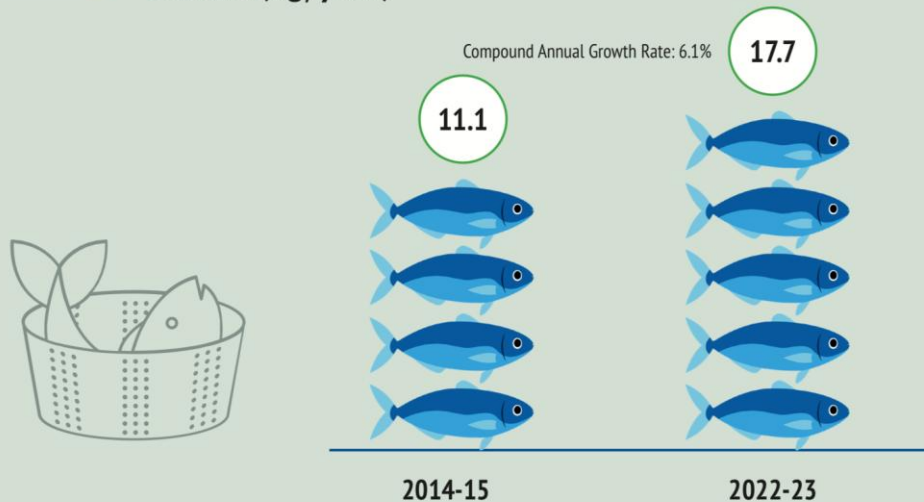


Source: Directorate of Fisheries, Government of Odisha, Link (Accessed on 08th July 2024) https://fisheries.odisha.gov.in/upload/files/01_54_06pm35186c287417744c3144ab6d70114bcb.pdf

Fish Consumption

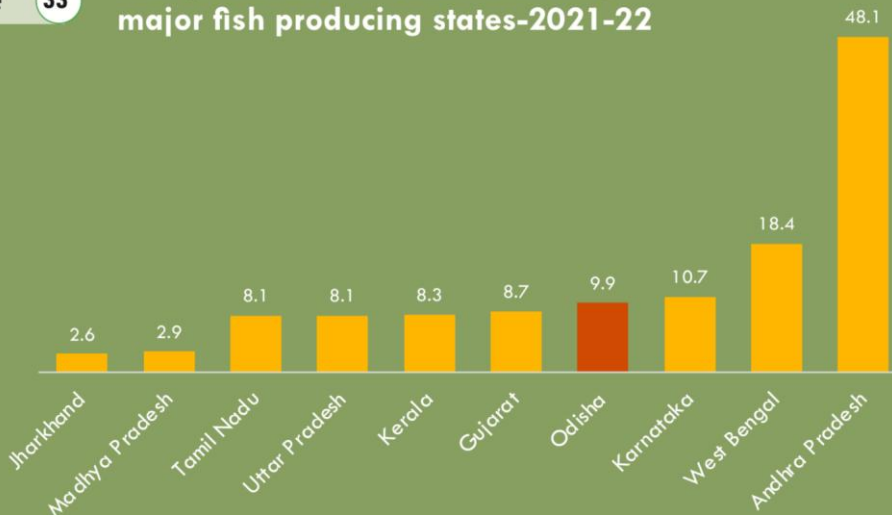
- Per capita fish consumption grew to 17.7kg per year from 2014-15 to 2022-23.

Figure 32 Per capita fish consumption in Odisha (kg/year)



Source: Directorate of Fisheries, Government of Odisha, Link (Accessed on 08th July 2024)
https://fisheries.odisha.gov.in/upload/files/01_54_06pm35186c287417744c3144ab6d70114bcb.pdf

Figure 33 Fish production in lakh MT among major fish producing states-2021-22



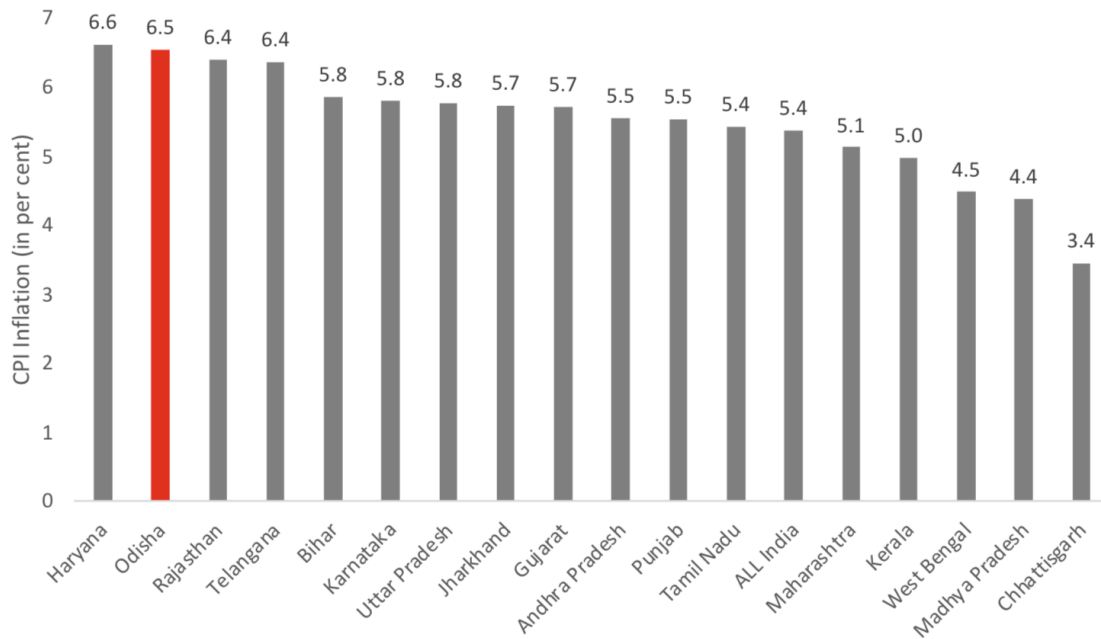
Source: Handbook on Fisheries Statistics, 2022, Government of India.

Prices

- At All-India level, inflation in 2023-24 was 5.4 per cent (Figure 1.5). Rising prices of primary goods have hold the inflation at a higher level besides some imported inflation due to global supply shocks in select commodities.
- Inflation in India is typically a supply side phenomenon and the Central Bank largely manages the second- round impact. On the supply side, the key commodity prices are governed by international price movement like the price of Oil which is largely imported. The primary articles like agricultural

items, food items etc. are largely impacted by monsoon, natural calamities and crop losses due to exogenous factors. With respect to inflation management, typically, states can play a role of easing the supply constraint at the local level.

- In 2023-24, Inflation in Odisha was 6.5 per cent higher than All-India average of 5.4 per cent (Figure 1.5).
- In comparison with 17 major states as well, the inflation in Odisha was second highest. Haryana reported inflation of 6.6 per cent higher than Odisha. Other 15 major states reported inflation lower than Odisha.



Source: CPI Division, MoSPI, Government of India

Employment

- Out of the total labor force, almost 96 per cent (205.3 lakh) are employed.
- Out of the total employed labour force (in the age group of 15+), 64 per cent (131.6 lakh) are self-employed and the remaining 36 per cent are either regular wage/salaried (29.6 lakh) workers or casual workers (44.1 lakh).

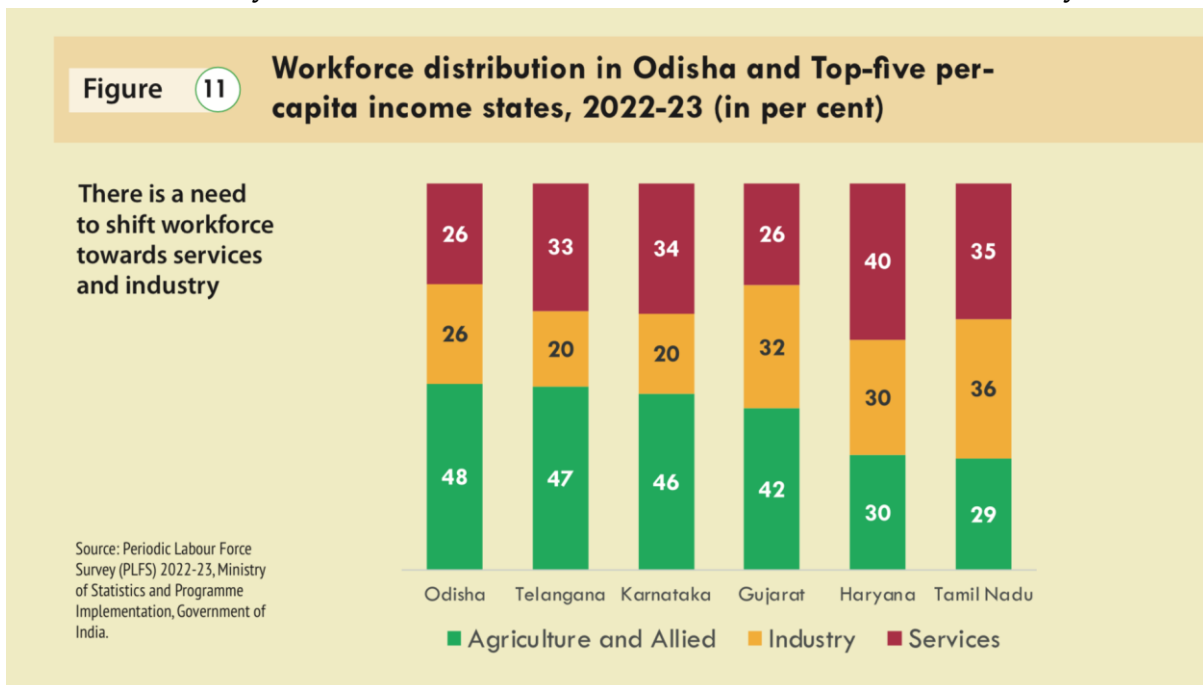
Table 1.4 | Trend in workforce (15+ age)

Indicator	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Total Workforce (in lakh), 15+ age	145.5	153.2	178.1	189.8	180.5	205.3
<i>By sector</i>						
	Share					
Agriculture	48.8%	44.1%	48.3%	46.8%	45.6%	48.1%
Industry	26.4%	29.5%	26.9%	28.5%	27.2%	25.8%
Services	24.8%	26.4%	24.8%	24.7%	27.2%	26.1%
<i>By type</i>						
	Share					
Casual worker	27.2%	27.1%	25.9%	25.8%	24.6%	21.5%
Regular Wage/Salaried	15.4%	16%	14.9%	14.7%	16.5%	14.4%
Self-employed	57.4%	56.9%	59.3%	59.5%	58.8%	64.1%

Source: Periodic Labor Force Survey, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, MoSPI, Government of India

Workforce distribution compared with top per capita states:

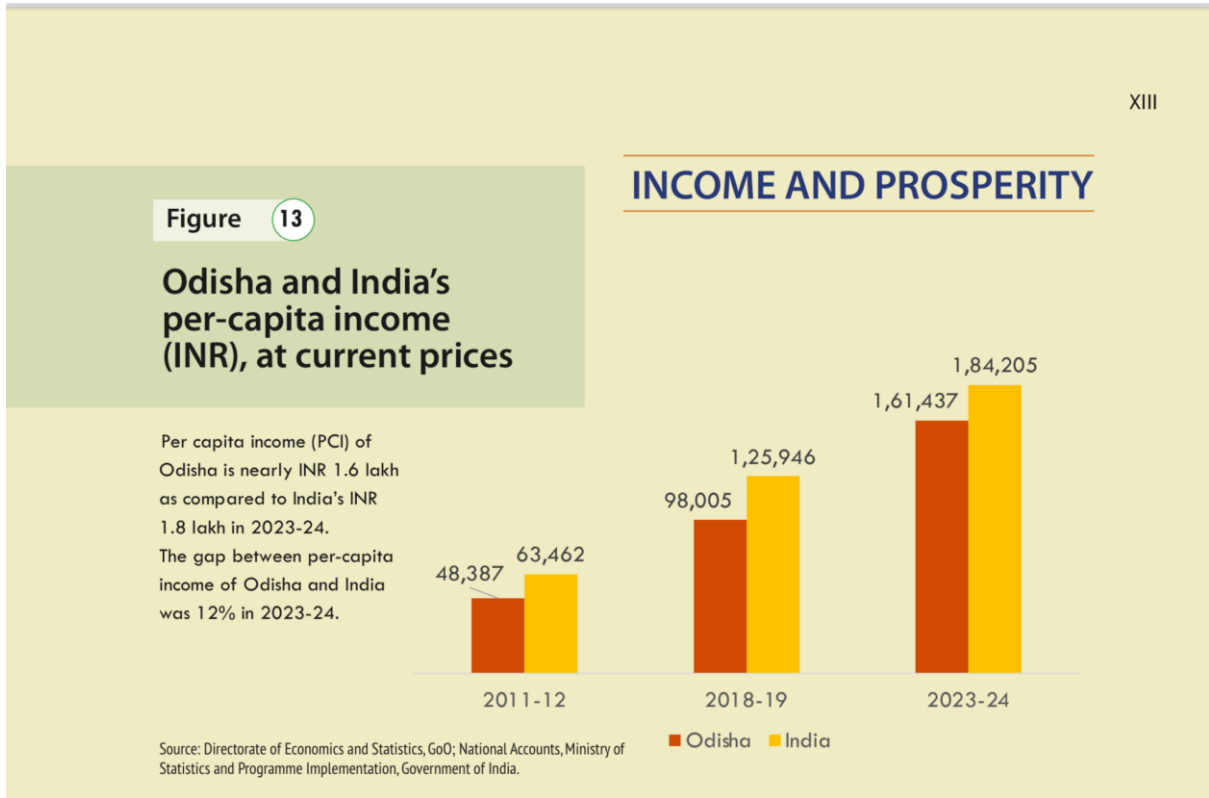
- There is a significantly higher number of people in Odisha in the agriculture sector and they need to be shifted towards the services and Industry sector.



Per capita Income:

- Per capita income (PCI) of Odisha is nearly INR 1.6 lakh as compared to India's INR 1.8 lakh in 2023-24.

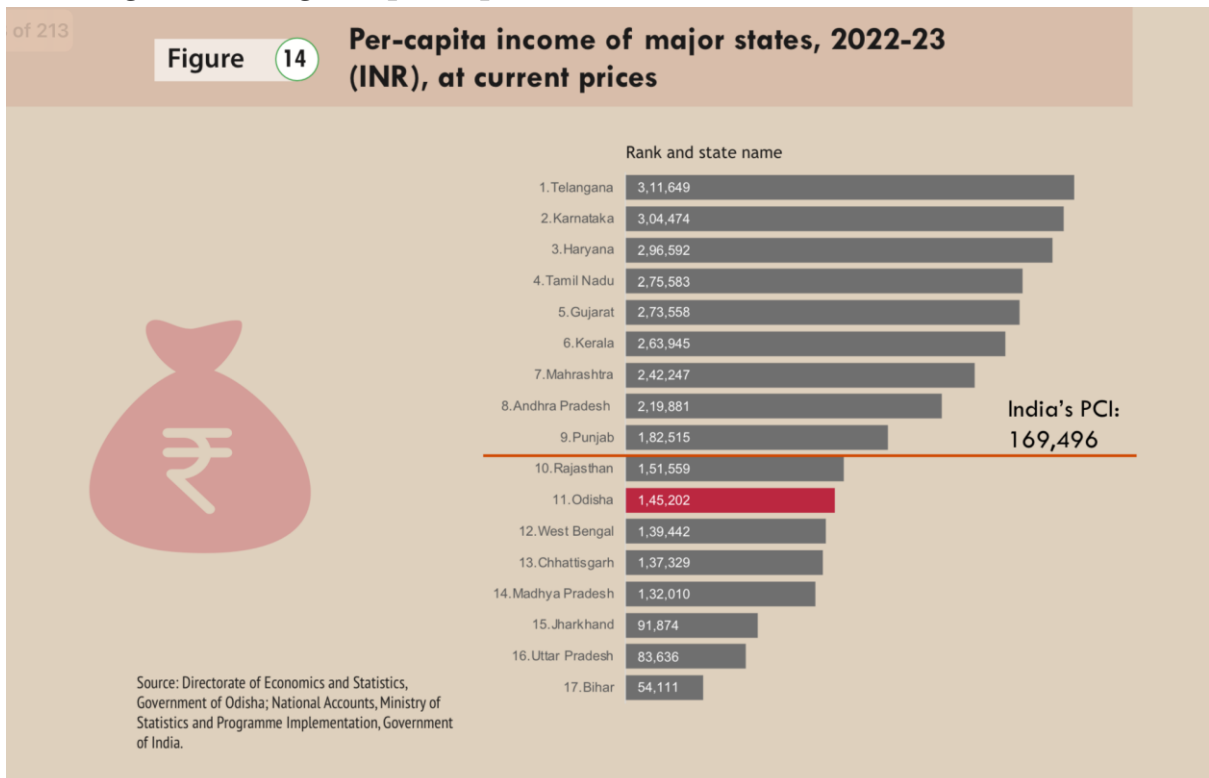
- The gap between per-capita income of Odisha and India was 12% in 2023-24.



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Per capita income of other states:

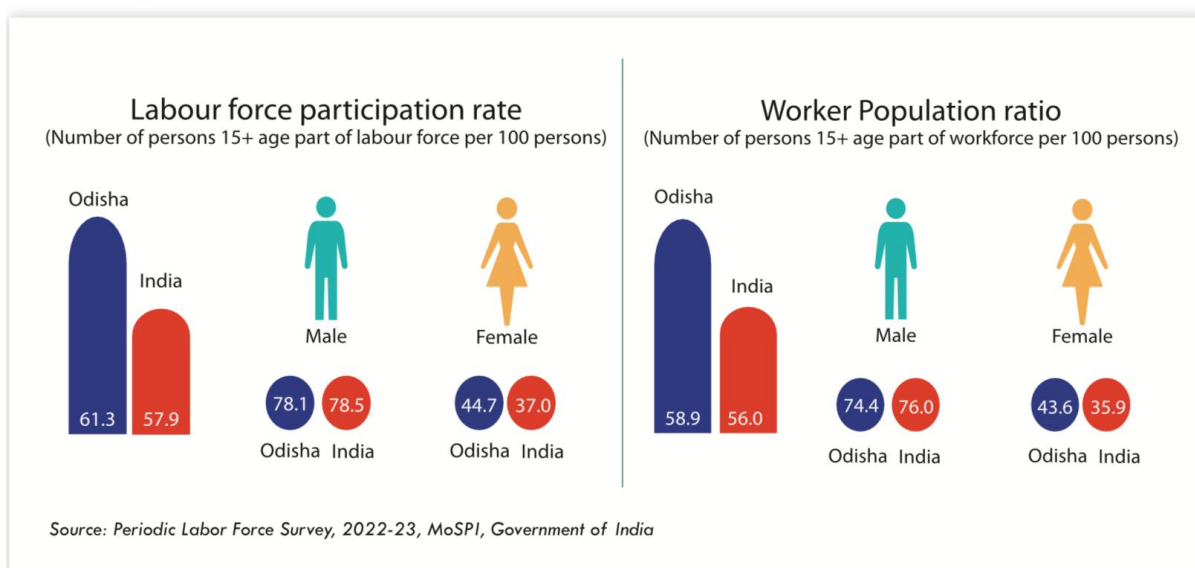
- Telangana has highest per capita income in India and Odisha ranks 11th.



Labour and Worker force participation rate

- At an aggregate level, Odisha has a higher number of individuals in the labor force per 100 persons in the age group of 15 and above compared to the All-India average.
- Similarly, there are more persons working per 100 persons in the age group of 15 and above in Odisha.
- The primary factor contributing to the improved employment situation in Odisha is higher participation of women in labor force.
- In 2022-23, Odisha recorded one of the highest female labor force participation rates at 44.7 per cent. Further, worker population ratio for women is considerably higher in the State.

Figure 1.12 | Key employment indicators, Odisha and India, 2022-23



Fiscal Developments

Revenue:

- In 2023- 24, the budget size of the Government of Odisha was INR 2.3 lakh crore. The state has seen growth in total revenue receipts supported by buoyant tax and in particular non-tax revenues.
- State's own tax revenues are buoyant with tax buoyancy of more than one (1.04). This implies that if GSDP grows at 10 per cent then the state's own tax revenues would grow at 10.4 per cent.

Expenditure

- On the expenditure side, nearly 70 per cent of the budget is directed towards development spending and nearly 21 per cent towards non-development

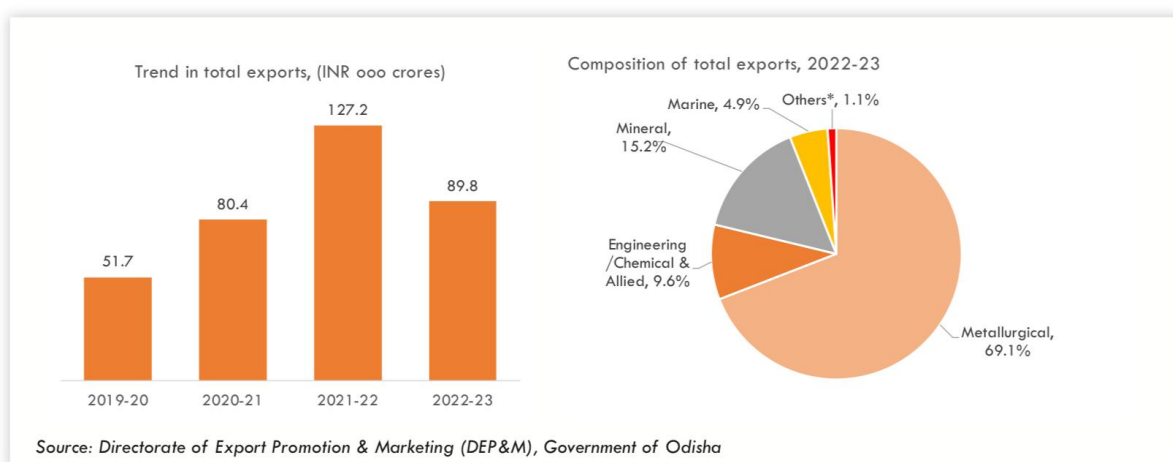
spending and remaining towards grants to local bodies and repayment of debt.

- A substantial portion of development spending is allocated towards education (constituting nearly 17.2 per cent of total development expenditure) followed by transport, health, rural development, agriculture, irrigation and water and sanitation.

Exports

- The total merchandise exports of Odisha increased from INR 51.7 thousand crore in 2019-20 to INR 89.8 thousand crore in 2022-23, growing at a CAGR of 20.2 per cent. However, between 2021-22 and 2022-23, merchandise exports of Odisha declined by INR 37.4 thousand crore (Figure 1.13).
- The State is ranked 10th among major states in terms of merchandise exports (by values) with an All-India share of 2.5 per cent in 2022-23.
- The first three states in terms of highest share of merchandise exports from India includes Gujarat (33.1 per cent), Maharashtra (16.1 per cent) and Tamil Nadu (9.0 per cent).
- Major contributors to State exports are metallurgical products (69.1 per cent), minerals (15.2 per cent), and engineering, chemical and allied products (9.6 per cent). Other exports include marine products (4.9 per cent) and textiles (0.6 per cent) (Figure 1.13).
- Between 2019-20 and 2022-23, the share of metallurgical products has increased by 21 percentage points, from 48 per cent to 69 per cent. This indicates concentration in the export basket.

Figure 1.13 | Trend of exports from Odisha and composition (2022-23)



Conclusion

- In 2023-24, Odisha was INR 8.3 lakh crore economy or equivalent to USD 100 billion. Among 17 major states, the State is ranked 13th in terms of economy size (2022-23). In terms of per-capita income, among the 17 major states, the State is ranked 11th in 2022-23 (for which data is available for all major states).
- The State has potential to grow at higher rate on a medium-term basis. There are several growth opportunities which if tapped can move Odisha to a new growth path.

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