

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
LOK SABHA
UNSTARRED QUESTION No. 4712**

TO BE ANSWERED ON MONDAY, July 22, 2019/Ashadha 31, 1941 (Saka)

Financial Assistance to Andhra Pradesh

4712. SHRI MARGANI BHARAT:

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Government of Andhra Pradesh is facing financial crunch after it has been bifurcated;
- (b) if so, the details of financial assistance extended to the State in the last five years and the current year, year- wise;
- (c) the details of the demand of Andhra Pradesh towards financial assistance;
- (d) whether the said demand of the State has been fulfilled; and
- (e) if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) & (b): Y-o-Y growth of Gross State Domestic Product (GSDP) at Current Prices has increased from 13.1% in 2014-15 to 16.1% in 2017-18. As per State Budget-2019-20 documents, Revenue Deficit of the State has decreased from Rs.24315 crore in 2014-15 to Rs.16152 crore in 2017-18 and estimated to be Rs.11655 crore in 2018-19 (RE) and Rs.1779 crore in 2019-20 (BE). Capital Expenditure has risen from Rs. 11409 crore in 2014-15 to Rs.14172 crore in 2015-16, Rs.15181 crore in 2016-17, Rs.13491 crore in 2017-18 and estimated to be Rs.20398 crore in 2018-19 (RE) and Rs.32293 crore in 2019-20 (BE). The details of financial assistance extended to the successor State of Andhra Pradesh in terms of the Andhra Pradesh Re-organisation Act, 2014 in the last five years is enclosed as Annexure-A.

(c) to (e) A charter of demands dated 26.05.2019 including fiscal challenges faced by the successor State of Andhra Pradesh and Special Category Status have been received from Chief Minister, Andhra Pradesh, which have been submitted to the 15th Finance Commission for their consideration.

Annexure referred to in reply to Lok Sabha Unstarred Question No. 4712 to be answered on 22.07.2019

Releases made to the Successor State of Andhra Pradesh post bifurcation

(Rs. in crore)

Central Assistance provided under Andhra Pradesh Re-organization Act, 2014							
Provisions of APRA, 2014	Items identified for providing 'Special Assistance'	Releases					Total upto FY 2018-19
		2014-15	2015-16	2016-17	2017-18	2018-19	
Section 46(2)	Resource gap	2303.00	500.00	1176.50	-	-	3979.50
Section 46(2) & (3) and 94 (2): special for backward areas.	Development Grant for 7 backward districts of the State covering Rayalaseema and North Coastal Region	350.00	350.00	350.00	-	-	1050.00
Section 6 & 94 (3 & 4): Central support for creation of new capital city	Assistance for Capital City for Development of essential infrastructure etc.	1500.00*	550.00	450.00	-	-	2500.00
Section 90(1) Polavaram Irrigation Project is hereby declared to be a National Project**	Polavaram National Project on Irrigation	250.00#	600.00^	2514.70#	2000#	1400#	6764.70
Sub Total		4403.00	2000.00	4491.20	2000.00	1400	14294.20
Special Assistance Measure						15.81 [§]	15.81
Grand Total		4403.00	2000.00	4491.20	2000.00	1415.81	14310.01

§: Repayment of interest for the Externally Aided Projects (EAPs) signed and disbursed from 2015-16 to 2017-18 by the State.

#: Provided by Ministry of Water Resources, River Development and Ganga Rejuvenation (MoWR,RD&GR).

^: Includes grant of Rs. 200 crore released by Department of Expenditure.

** : Funding of 100% of the remaining cost of irrigation component only of the project for the period starting from 01.04.2014, to the extent cost of the irrigation component on that day would be provided.

*: including Rs.1000 crore released by Ministry of Urban Development.