

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

**LOK SABHA
UNSTARRED QUESTION NO.1725**

TO BE ANSWERED ON FRIDAY, NOVEMBER 25, 2016/AGRAHAYANA 4, 1938 (SAKA)

Special Financial Package

1725. SHRI JAYADEV GALLA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has announced Special Financial Package for Andhra Pradesh, if so, the details thereof;
- (b) whether the Government has extended similar package to other States/ UTs in the past;
- (c) if so, the details thereof; and
- (d) the extent to which the Special Financial Package is likely to benefit the development of Andhra Pradesh?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)**

(a) to (d): The Central Government is extending financial assistance to the state of Andhra Pradesh in terms of assurances made by the Union Government during the discussions on reorganisation of the State in the Parliament and the provisions under the Andhra Pradesh Reorganisation Act, 2014. Accordingly, the Union Government has recently announced special assistance measure for the State of Andhra Pradesh. The Central Government has agreed to provide 100% of the remaining cost of the irrigation component of Polavaram project for the period starting from 1.4.2014, to the extent of the cost of the irrigation component on that date. Further, over and above the assistance provided under Andhra Pradesh Reorganisation Act, 2014, the Central Government has agreed to give a special assistance measure to the Government of Andhra Pradesh for five years i.e. 2015-16 to 2019-20, which would make up for the additional Central share the State might have received during these years as Special Category State. This will be in the form of Central Government funding for externally aided projects for the state for Andhra Pradesh signed and disbursed during these years. No such similar special assistance measures have been extended to other States/UTs in the past. These measures are expected to give impetus to the development of the state of Andhra Pradesh.
