

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

**LOK SABHA
UNSTARRED QUESTION NO. 2918**

TO BE ANSWERED Friday, August 3, 2018/Shravana 12, 1940 (Saka)

Revenue Deficit of Andhra Pradesh

**2918. SHRI RAYAPATI SAMBASIVA RAO:
SHRIMATI BUTTA RENUKA: +
SHRI KESINENI NANI:**

Will the Minister of FINANCE be pleased to state:-

- (a) whether at the time of bifurcation, Andhra Pradesh inherited substantial revenue deficit and the estimated resource gap was calculated at around Rs. 16,000 crore and if so, the details thereof;
- (b) whether the amount of the estimated resource gap disbursed till date and if so the details thereof;
- (c) whether the disbursed amount was lesser than the estimated and if so, the reasons for the same;
- (d) whether according to Fourteenth Finance Commission (14th FC), Andhra Pradesh will be the only major State to remain in deficit even in 2022 and if so, the details thereof;
- (e) whether the revenue deficit calculated for 2015-16 for Andhra Pradesh by 14th FC comes to around 7700 crore and if so, the details thereof and the justification of the Union Government in this regard; and
- (f) the percentage of resource gap has already been sanctioned to the State and the reasons for delay in sanctioning the balance amount?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI P. RADHAKRISHNAN)**

- (a): No, the consolidated State of Andhra Pradesh had a Revenue Surplus of Rs.344.33 crore in FY 2013-14. However, the successor State of Andhra Pradesh (GoAP) had reported Revenue Deficit as Rs. 16,079 crore for the year 2014-15 (2nd June, 2014 to 31st March, 2015).
- (b) & (c): The Central Government has arrived at an amount of Rs. 4117.89 crore as Resource Gap for the same reference period on the basis of Standardized Expenditure for that year under Section 46(2) of the Andhra Pradesh Reorganisation Act, 2014. Out of which, Rs. 3979.50 crore have already been released to the Successor State of Andhra Pradesh. In order to arrive at a realistic estimate of Resource Gap for the year 2014-15, Rs.11960.87 crore was disallowed which included expenditure on new schemes like viz. Agriculture Debt Redemption Scheme, assistance to DISCOMS for taking over Financial Restructuring Plan Bonds and impact of increase in monthly pension rate and broadened base of pensioners.
- (d) : Recommendations of the 14th Finance Commission are applicable for 2015-16 to 2019-20.
- (e) : No. However, the 14th Finance Commission in Para 11.36 in its report projected post devolution Revenue Deficit of Rs.6609 crore for the year 2015-16 for the Successor State of Andhra Pradesh.
- (f): 96.64% of the resource gap has already been disbursed to the State.
