

**Provisions for revenue deficit/investment in AP State
Reorganisation Act, 2014**

1188. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

- (a) whether there are explicit provisions in the AP State Reorganisation Act, 2014 for financing revenue deficit and to invest on capital and infrastructure;
- (b) whether post-bifurcation the State of Andhra Pradesh has sought specific and time bound Central assistance as provided in the said Act;
- (c) the details of Central assistance released, sector-wise;
- (d) whether a road map has been drawn to fulfil the unfulfilled promises/provisions under the AP State Reorganisation Act, 2014; and
- (e) if so, specific details thereof to meet the legitimate entitlements of the States of Andhra Pradesh and Telangana?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) There is no explicit provision in the AP State Reorganisation Act, 2014 for financing revenue deficit. However, provisions have been made in the Act to provide Central assistance for various developmental activities including creation of essential facilities and other essential infrastructure in the new capital and developmental programmes for backward area of the State etc.

(b) to (e) Like other States, requests from time to time are made by the State Government of Andhra Pradesh for providing Central assistance to deal with the developmental issues in post bifurcation regime. Accordingly, having considered resources available with the State and availability of funds with Union Government within Gross Budgetary Support (GBS), Central assistance to the State Governments (including Andhra Pradesh) is provided. Since enactment of AP State Reorganisation Act, 2014, an amount of 3,853 crore has been released by Ministry of Finance to the State Government of Andhra Pradesh under various provisions of the Act. The releases made by Ministry of Finance includes 2,303 for resource gap and 700 crore for development of 7 backward districts covering Rayalseema and North Coastal Region and 850 crore for creation of essential facilities/infrastructure in the new capital. Moreover, 650 crore for Polararam irrigation project and 1000 crore for creation of infrastructure facilities for the Capital City has respectively been released to the State Government of Andhra Pradesh by Ministry of Water Resources, River Development and Ganga Rejuvenation and Ministry of Urban Development.