



**GOVERNMENT OF ANDHRA PRADESH**

**BUDGET SPEECH  
2014-15**

**YANAMALA RAMAKRISHNUDU**

*MINISTER FOR FINANCE*

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**SPEECH OF SHRI YANAMALA RAMAKRISHNUDU,  
HONOURABLE FINANCE MINISTER WHILE PRESENTING  
BUDGET FOR THE YEAR 2014-15 TO THE ANDHRA PRADESH  
LEGISLATURE ON 20<sup>th</sup> AUGUST, 2014.**

***Hon'ble Speaker and Members!***

I rise to present the Budget for the year 2014-15.

At the outset I would like to commence my speech remembering the ideal and just society as visualised by Mahatma Gandhi.

*'A picture of casteless and class less society, in which there are no vertical divisions but only horizontal, no high, no low.'*

My budget for 2014-15 is one step forward in realising such a just, humane and dynamic society.

2. This is the first Budget of the State of Andhra Pradesh after reorganisation of the State. I have the privilege of presenting the Budget once again almost after ten years. As the Honorable Members are aware, the interregnum period is characterised largely by lack of development vision, strategic direction and rampant corruption failure of governance. After successive agitations and strikes in the past few years, the situation was compounded by the manner in which the State was bifurcated.

3. This unfortunate scenario which the present Government have inherited leaves me in an unenviable

position to deal with the complexities and problems, the State is burdened with. We have to now reinvent the process of building the economy once again the way in which we handled earlier.

4. The provisions made in the A.P. Reorganization Act 2014 for the development of the State of Andhra Pradesh signify tokenism and they cannot compensate the loss of opportunity for the people of Andhra Pradesh due to the division of the state. Income generation, employment opportunities, health and educational institutions, R & D and training facilities and the social infrastructure are grossly inadequate in the new state for its survival. The decision to bifurcate the state without even finalising the capital city itself signifies as an epitome of irresponsibility.

5. United Andhra Pradesh, where second generation reforms under the leadership of Sri Nara Chandra Babu Naidu were initiated during 1995-96, had for almost a decade rigorously pursued economic reforms for stepping up economic growth and alleviating poverty. In mid-nineties, there was a breakthrough in the Information Technology and significant strides were made during this period in respect of participatory management of land, water and forest resources. Women's self-help groups and DWCRA of the then state of Andhra Pradesh were a global success story which through social mobilisation, community empowerment and capacity building became critical in the poverty eradication strategy. These initiatives earned a great name for united Andhra Pradesh as a harbinger of

economic reforms and have led to increased expectations both within the country and abroad. However, this massive movement started fading away rapidly since 2004, due to lack of handholding support from Government.

6. The united state of Andhra Pradesh has been a revenue surplus state as far as non-plan revenue is concerned. Unfortunately, the division made the residuary state of Andhra Pradesh a huge revenue deficit state on non-plan account. There is a huge impact of State bifurcation on State Finances. Since the debt, employees, pensioners are allocated based on population ratio the expenditure naturally will be more than 58% of the united State. However, when it comes to revenue sales tax, which is the most important source of revenue for the State is expected to be only around 47% of the combined State's revenue and revenue under stamp duty and registration fees, motor vehicle tax are expected to be less than 50%. Excise is the only tax where the share of residuary State will be close to 55%. Non-tax revenue from mining will be less than 30% of the united State. Overall revenue share of residuary State from tax and non-tax is estimated to be around 47% of the united State. The state is not left with reasonable resources for a meaningful plan outlay.

7. In addition to skewed distribution of revenue most of the critical infrastructure in social and economic sectors is also going to Telangana. Most of the institutions listed in Schedule-IX and Schedule-X of the Re-organization Act are located in and around Hyderabad. Other institutions which

are not mentioned in the Schedule-IX and X have been kept in the air. The residuary State being agrarian has tax to GSDP ratio of only 6.8%, while for more urbanised Telangana it is 9.7%. With limited availability of resources it will be very difficult to create all the infrastructure in the social and economic sectors in the new State of Andhra Pradesh. No provision to compensate for this investment is made by the then Government of India. This neglect alone points out the kind of loss the residuary state of Andhra Pradesh is subjected to because of irrational and unfair division process that the then government at centre followed. This also makes us realise the enormity of challenge before us.

8. Along with the aforesaid concerns there are umpteen number of issues and challenges staring at the new state of Andhra Pradesh.

### **The Way Forward:**

9. In sync with the objectives and goals envisaged for a comprehensive development action plan, the following are some of the key development initiatives being pursued by the government.

### **Release of White papers:**

10. In order to make people understand the severity of the financial and opportunity loss during last decade, the government have brought out white papers on key sectors.

The white papers have critically examined the status and performance under important social and economic parameters pertaining to Human Resource Development, Infrastructure and Industries, Irrigation and Agriculture, Power, Financial Resource Mobilisation, good Governance, skill development and the impact of State bifurcation.

**Prioritising the promises:**

11. With a strong commitment to fulfil the election promises, the government have announced decisions on five items relating to debt relief to farmers and DWCRA women, raising the pension amounts, provision of 20 litres of mineral water for Rs 2 through corporate social responsibility of the of private sector under NTR Sujala Pathakam, closing down of belt shops in villages and raising of retirement age of government employees from 58 to 60. These announcements, as part of a holistic development strategy, are being fulfilled.

12. We are also committed to provide Post-Metric Scholarship and fee reimbursement to deserving students. Provision is made in the Budget for taking up Schemes for welfare of Kapus and Brahmins. A Commission is being constituted to study the inclusion of Kapus into BC category without affecting the interests of BCs.

## **Vision 2029:**

13. The Government has decided to re-draft the vision 2020 document to frame vision that will set standards for a new development paradigm in sync with the changed circumstances to place the state among the best three performing states in the country by 2022 marking India @75. The challenges are many. However, the determination and drive to see that Andhra Pradesh attains an enviable position in the country is a key objective driving the populace of the state.

14. The principal endeavour of the government will therefore be to make Andhra Pradesh (Swarnandhra Pradesh) a developed state measured in terms of citizen life satisfaction and Happiness Index by 2029, coinciding with the next three Finance Commissions.

## **100 day development agenda:**

15. With a view to achieve results in a mission mode and accelerate the pace of development, the government has embarked upon a 100 days agenda to put the administration back on track for realising the vision.

## **Mission Based Development Strategy**

16. The development process of the state has witnessed implementation of several schemes/programmes aimed at improving infrastructure and the welfare of people. Despite



concerted efforts, gaps between the realised outcomes and ultimate achievable potential continue to exist. Inadequate institutional capacity, missing coordination among the departments and lack of targeted approach have been identified as the key obstacles in achieving the desired outcomes. Several welfare and developmental structures put in place during all these years have proven to be inadequate, calling for a game changing and holistic approach in a Mission mode. The business as usual approach without really striving to find alternative mechanisms for development and growth oriented governance has caused slippage on the achievement of ultimate goals of a welfare society.

17. The Government, upon having deliberations at various levels and realizing the exigency for an intensive development approach, decided to constitute seven missions in important sectors of economy, growth and infrastructure. The Missions, which are expected to serve short term, medium term and long term growth objectives will integrate into the Annual Plans and usher in a new development paradigm. Each mission will work through a logical framework or result framework approach and will have clearly defined objectives, components, implementation timelines and milestones as well as measurable outcomes. The missions may have a limited number of sub-missions in case of stand-alone activities. These missions are:

1. Primary Sector Mission,
2. Social Empowerment Mission,
3. Knowledge and Skill Development Mission,
- 4.

Urban Development Mission, 5. Industry/Manufacturing Sector Mission, 6. Infrastructure Mission and 7. Service Sector Mission

18. Each of the Missions is proposed to have the Chief Minister as its Chairperson, with pre-defined objectives, implementation structure, funding mechanism, required departmental synergy, functioning component, Rollout mechanism at the district level as appropriate for the Mission, Reporting, Monitoring & Evaluation Systems and Performance based Awards.

#### **District Development Planning:**

19. The government is keenly examining how decentralized institutions can be strengthened to play a more effective role at the district and sub-district levels. Decentralisation is now being increasingly viewed as allowing better service delivery. In this direction, the government is committed to strengthen the delivery of services at the district level and create further efficient planning, administration and financing service systems.

20. In this direction, Government have given instructions for adopting best procedures in planning and decentralised planning which will be helpful to the functionaries in understanding the planning process.

21. However, for the current year I am constrained to present a Budget which will be marked by a reduced plan

outlay because of huge baggage of problems we inherited from the past. I would also like to bring to your notice that there are technical difficulties in estimating revenue receipts with reasonable accuracy. The present budget presents the financial status of the Combined State of Andhra Pradesh for the first two months and that of the residuary State for the remaining ten months. As a result, the estimates of receipts and expenditure and the revenue and fiscal deficit figures get impacted making it highly difficult for the State to comply with the norms prescribed by the AP FRBM Act. This fact has been clearly brought to the notice of Government of India already. We are almost in the midst of the financial year and this Budget is expected to cover the essential minimum requirements of the Government for the remaining part of the fiscal. During the course of the year, we will of course spare no effort to maximise resource inflow and manage expenditure in such a way that people of the State derive more value for the money spent. It is decided to make ADAAR number compulsory in the implementation of all the Government Schemes to ensure flow of benefits to the target group and avoid leakages. There are some provisions made in the budget of Govt. of India meant for our State. But these are not sufficient. I am however happy to inform you that the Finance Minister, Govt. of India has categorically mentioned in his Budget speech about Govt. of India's commitment to address the issues relating to development of Andhra Pradesh spelt out in the A.P. Reorganisation Act, 2014. We will strive hard to realise more resources from the Union Government than what is reflected in the Budget.

22. As you are aware the Chief Minister Sri N. Chandra Babu Naidu, who walked for about 3,000 km, as part of padayatra, came in direct contact with the people and in close interaction with them understood in-depth their problems. The manifesto of our party emerged out of this understanding and will now get translated into Schemes of Government. Our vision is to achieve a poverty free society where all citizens have equitable opportunities. In this connection, I am reminded of the words of Keir Hardie:

*“The true test of progress is not accumulation of Wealth in the hands of A few individuals, but the elevation of people as a whole”.*

We are committed to providing corruption free and transparent government. Government have constituted Group of Ministers on tackling corruption and protection of public properties and revenues with specific mandate to review all cases of illegal alienation of natural resources like land, forest wealth, mines, minerals etc., revenue loss caused due to illegal liquor sales and loot of forest wealth and siphoning away public money in public works especially in irrigation and to recommend measures to make the economic governance transparent, fair and efficient.

23. As is the case with the rest of the nation, our State has the advantage of having a significant percentage of young persons in the population and a rapidly growing middle class. These two categories of persons have very high level of aspirations. My Government will do everything possible

to live up to their expectations. Important areas where investments are to be made would be skill building for the youth, efficient and prompt delivery of services, building an optic-fiber network connecting all villages, a water-grid to provide clean drinking water, focus on employment generation to ensure that at least one person is employed in each family and improving quality of life. We are committed to provide un-employment allowance till employment reaches them. We firmly believe that Gross State Domestic happiness matters more than Gross State Domestic Product.

24. I would also like to inform that from next year onwards in order to improve efficiency in budgeting and expenditure management there will not be automatic incremental allocations in the Budget. The Departments would have to justify proposed expenditure for each item from 'zero' level.

#### **State Economy –2013-14**

25. I would like to briefly present the highlights of the State economy. The provisional estimates of GSDP at Current Prices for the year 2013-14 (Provisional Estimates) is estimated at Rs.4,75,859 Crore as against Rs.4,19,391 Crore for 2012-13 indicating a growth of 13.46%. The GSDP at Constant (2004-05) Prices for the year 2013-14 is estimated at Rs.2,50,282 Crore as against Rs.2,35,930 Crore for 2012-13 indicating a growth of 6.08%. At constant prices, the Agriculture sector, the Industry and the Services

sectors registered a growth of 6.94%, 2.16% and 7.25% respectively during 2013-14.

26. The provisional estimates of per capita income at current prices for the year 2013-14 is Rs.85,797 as against Rs.76,041 in 2012-13 registering a growth of 12.8 percent. The per capita income at constant (2004-05) prices for the year 2013-14 is estimated at Rs. 44,481 as against Rs. 42,186 in 2012-13 (FRE) registering a growth of 5.4 per cent.

### **Agriculture**

27. Farming, as an activity contributes nearly 17% to our GSDP and a major portion of our population is still dependent on it for livelihood. Farming community in our country has risen to the challenge of making our country largely self-sufficient in providing food for growing population. However, unfortunately in our State, there has been large scale distress in the community owing to various reasons like successive natural calamities, rising cost of inputs, lack of remunerative prices and disproportionately high labour costs. In fact the level of distress is so high that several farmers, forced by circumstances took the extreme step of committing suicide. In order to address the pent-up distress, we acknowledged the need to provide succor to the farming community and took a conscious decision, though unprecedented, by providing debt relief to farmers on loans taken by them for crop production, including gold loans, from banks and cooperative societies up to an extent of Rs.1.50 lakh per family. We are aware that this decision

would impose a huge burden on the State particularly at a time when it is already reeling under severe financial stress. We thought that unless this relief is given, it would be very difficult to build a sound foundation for sustainable agriculture in future. We would have to overcome various technical hurdles raised by the RBI and Banks for implementing the Scheme. We would leave no stone unturned in our efforts to raise resources for clearing loans of farmers. Measures required for making farming a sustainable and remunerative enterprise would be taken up. The Chief Minister Sri N. Chandra Babu Naidu was moved by the suffering of farmers that he saw in padayatra and the multi pronged strategy to deal with the multi-dimensional problems of farmers evolved out of that. Most important aspect of this would be Coordination and integration of all the Schemes and activities being implemented by various Departments meant for the development of Agriculture and allied activities. The strategy to bring about such integration is preparation of a separate Agriculture Budget, as a part of general budget. Sri Prathipati Pulla Rao, Minister for Agriculture, Agri-Processing, Marketing & Warehousing, Animal Husbandry, Dairy Development and Fisheries will be presenting a comprehensive Agriculture Budget enunciating details of the comprehensive strategy covering agriculture and allied activities.

## **Welfare Departments**

### **Social Welfare**

28. The population of the Scheduled Castes, in the State, is 84.45 lakh and constitutes 17.1 % of the population. The Government is committed to ensuring empowerment of members of the Scheduled Castes community by following a multiple-pronged strategy.

29. The chief instrumentality of this strategy is providing support for the education of children. The Government will support the boarding, shelter & education of 1,44,500 students, in the 1,445 Hostels. The AP Social Welfare Residential Educational Institutions Society manages 177 Residential Schools, under its aegis, & provides quality education to 1,24,000 children. The Society has been delivering consistently good results, which are much higher than the State average. In view of the good results shown by residential schools being run by the Government for the benefit of SCs/STs/BCs/Minorities, we are committed to convert all the hostels being managed by the welfare Departments into residential schools in a phased manner. Another significant measure for the improvement of education is the scheme of Pre-matric & Post-matric Scholarships for students Ambedkar Overseas Vidya Nidhi facilitates poor SC students to pursue higher studies abroad.

30. Another important instrumentality for the empowerment of the SCs is providing financial assistance to



the unemployed SC youth, by the AP Scheduled Castes Cooperative Finance Society Limited for taking up self-employment schemes with subsidy.

31. The third important instrumentality for the all-round development & empowerment of the members of the SC community is the implementation of the Scheduled Castes Sub Plan (SCSP) by the Departments concerned to ensure direct & quantifiable benefits to individuals, households and habitations with a view to bridge the development gaps between the general and SC communities. The Government has taken a decision to enhance the outlay of the SCSP, as a percentage of the Plan outlay, during 2014-15, to 17.1 %, in alignment with the SC population of the Andhra Pradesh State, as per the 2011 census.

32. A provision of Rs.2657 Crore is proposed in B.E. 2014-15.

### **Tribal Welfare**

33. The Scheduled Tribe population in the state is 26.31 lakh. Constituting 5.33 % of the population. There are 35 scheduled tribes, out of which 6 tribal groups are categorized as Particularly Vulnerable Tribal Groups (PTGs).

34. Government is committed to implement the provisions of the AP SCP&TSP Act to ensure accelerated development of scheduled tribes with emphasis on

achieving equality in economic, educational and human development.

35. Education is one of the major thrust areas of the Government for STs in tribal areas. Nearly 70% of the budget is allocated towards educational programmes.

36. Providing Drinking Water in inaccessible tribal areas through Multi Village and eligible Village schemes under 13<sup>th</sup> Finance Commission and taking up important road works under NABARD are important activities of the Department.

37. A provision of Rs.1150 Crore is proposed in B.E 2014-15.

### **Backward classes Welfare**

38. There are 692 Boys Hostels and 201 Girls Hostels in the State. Total admitted strength is 72,743 boys and 23,296 girls. The pass percentage is 93.73 as against the State average of 90.87%. To promote higher education Government have decided to establish one Hostel each for girls and boys in each Assembly Constituency.

39. Under the Scheme of Post matric scholarships and tuition fees reimbursement all eligible BC students are sanctioned Scholarship and Fee Reimbursement and all eligible EBC students are sanctioned Fee Reimbursement.

40. With a view to enable the unemployed educated youth to compete with others in competitive examinations, free coaching is provided in 13 BC Study Circles in the State.

41. There are 31 Mahatma Jyothiba Phule BC Residential Schools of which 17 are meant for Boys and 14 are for Girls. During the academic year 2013-14, 98.99% of students passed the 10<sup>th</sup> class exam.

42. I am also happy to announce that action will be initiated to come-up with a comprehensive sub-plan for BCs.

43. A provision of Rs.3130 Crore is proposed in B.E 2014-15.

#### **Minorities Welfare:**

44. The main objective of the Department is to ensure an equitable share for minorities in economic activities and employment through existing and new schemes, enhanced credit support for economic activities including Self-employment, up-gradation of skills through technical training and for recruitment in jobs of State and Central Governments. The Schemes implemented by the Department for the benefit of Minorities are pre & post-matric scholarships, bank linked subsidy scheme, maintenance of hostels and residential schools, training for competitive examinations. The new schemes that will be introduced are Dukan-o-Makan and Roshini for the welfare of Minorities.

45. A provision of Rs.371 Crore is proposed in B.E 2014-15.

### **Women & Child Welfare**

46. It is Babasaheb Amdekar who said that he would measure the progress of a community by the degree of progress which women have achieved. In this direction, my Government is committed to Women Empowerment. After Re-organization of the State there are 41982 main AWCs in rural areas and 4248 in urban areas and 2169 in Tribal areas. In addition 6625 mini AWCs are in operation. ICDS programme has been universalized throughout the State with 254 projects. About 27 lakh children and 8 lakh pregnant and lactating women are covered under the supplementary nutrition programme. Many other Schemes are also under implementation.

47. A provision of Rs.1049 Crore is proposed in B.E 2014-15.

### **Welfare of Disabled & Senior Citizens**

48. The Department for the welfare of the Disabled and Senior Citizens maintains 20 Hostels, 2 Homes, 6 Residential Schools and one Residential Junior College for the benefit of the differently-abled children. Pre-matric and Post-matric scholarships are also provided to differently-abled Children. Other schemes being implemented are computer training to visually challenged, economic rehabilitation scheme,

incentive awards for marriages and supply of special teaching material for students.

49. A provision of Rs.65 Crores is proposed in B.E 2014-15.

### **Youth Services:**

50. The Department of Youth Services strives to channelize the energies of Youth for constructive activities and wean them away from antisocial activities. The Department implements suitable Youth Welfare Programmes in accordance with the changing aspirations and needs of the youth.

51. A provision of Rs.126 Crore is proposed in B.E 2014-15.

### **Tourism and Culture**

52. Tourism has the potential to provide employment opportunities and stimulate rural economy. Andhra Pradesh with its rich natural, cultural and historical heritage resources is already a leading destination in India for domestic tourism. To further consolidate this position and attract more number of tourists, Government have taken initiatives to augment tourism infrastructure across all tourist destinations in the State.

53. During the year 2014-2015 it is proposed to develop Mega Tourism Circuits in Krishna and Ananthapuramu Districts at a cost of Rs.100 crore of Central Assistance. In

addition, new Tourism circuits in Srikakulam, Guntur, Sound and Light show at Srikalahasti, development of Beach resort in Perupalem in West Godavari District are also proposed.

54. With a view to revive and promote Art & Craft and Culture of Andhra Pradesh, it is proposed to set up Shilparamams in Kakinada, Eluru, Vijayawada, Nellore and Ananthapuramu districts.

55. An International Convention Center at a cost of Rs.117 crore and Indian Culinary Institute at a cost of Rs.50 crore at Tirupathi are planned for the current financial year. To provide trained manpower to the Tourism sector, State Institutes of Hotel Management are being set up at Tirupathi and Kakinada at a cost of Rs.12 crore each. In addition, Government is encouraging private sector investment through PPP Mode to introduce sea planes, and other niche Tourism products.

56. A provision of Rs.113 Crore is proposed in B.E 2014-15.

## **Housing**

57. The Housing programme aims to provide pucca houses for rural and urban poor and make Andhra Pradesh a hut-less / slum-free State. So far, 65.35 lakh houses have been completed, 4.93 lakh houses are in various stages of construction and 6.98 lakh houses are yet to be started. The Government have decided to take up 25,000 houses

under affordable Housing Scheme of RAY of Government of India in urban areas of the State during the year.

58. The present Government proposes to take up Weaker Sections Housing at a cost of Rs.1.50 lakh for SC/ST and Rs.1.00 lakh for other weaker sections. We will revamp the existing programme to eliminate wastage of money.

59. A provision of Rs.808 Crore is proposed in B.E 2014-15.

### **Civil Supplies**

60. The Government is determined to make available nutritious food to all Below Poverty Line families by providing various essential commodities at affordable prices besides continuing the subsidized rice programme pioneered by our Government. We will also take steps to operationalize “**Anna Canteens**”to provide food at affordable prices for low income groups.

61. Government will take up market intervention measures along with steps for effective implementation of supply of Essential Commodities to ensure price stability. Commodities like vegetables are being made available in the open market at affordable prices through Rythu Bazaras.

62. Government is also taking up Special drive to seed the ration cards with Aadhar number of all members of card holders in the database. ePOS machines piloted in East Godavari district have shown a 15% savings due to bio-

metric authentication. Feasibility of extending the same to the entire State will be examined. Another important issue which the Government is seriously considering is to provide Deepam connections afresh to all the deserving BPL women. To ensure that farmers get MSP for paddy a number of purchase centres through SHGs were opened and 73000 Mt of paddy was procured.

63. A provision of Rs.2318 Crore is proposed in B.E. 2014-15.

### **Rural Development Department**

64. The Rural Development Department is implementing various schemes for eradication of poverty. Under MGNREGS the Government have recently enhanced wages under MGNREGS from Rs.149/- to Rs.169/- per day. During the year 2013-14, 34.3 lakh households were provided wage employment. Total amount spent was Rs.3038 Crore out of which Rs.1970 Crore was paid as wages directly to wage seekers. To ameliorate the distress in Agriculture Sector the Government is committed to dovetailing provisions of MGNREGS Scheme into agriculture activities for the benefit of farmers and agriculture labour as well.

65. Integrated Watershed Management Programme (IWMP) intends to restore the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover and water and



create sustainable livelihoods for the asset less, is in operation in 11 DPAP / DDP Districts.

66. Society for Elimination of Rural Poverty (SERP) is implementing an incentive Scheme for the SHGs repaying instalments promptly called Vaddi Leni Runalu. There are about 70 lakh members in 6.56 lakh SHGs exclusively for women in the State. The total savings and Corpus of SHG Members are Rs.3064 crore and Rs.4025 crore respectively. Government have decided to strengthen the SHGs by infusing fresh capital not exceeding Rs. 1.00 lakh per DWCRA group.

67. Under Social Security Pensions an amount of Rs.2505 crore was distributed to 75.00 lakh pensioners. The Government have enhanced existing rate of pension from Rs.200/- to Rs.1000/- per month to the elderly, widows, weavers, toddy tappers, ART cases and Disabled persons with 40% to 79% of disability and Rs.1500/- per month to the persons with 80% and above disability to provide a more secure life to them. The above rate will come into force w.e.f. September, 2014 and will be paid from 2/10/2014.

68. A provision of Rs.6094 Crore is proposed in B.E. 2014-15.

### **Panchayati Raj**

69. As already mentioned in my speech the Government believes in decentralisation and is committed to strengthen

rural local bodies in the Panchayathi Raj sector as envisaged in the 73<sup>rd</sup> amendment to the Constitution. Department of Panchayati Raj implements important schemes of BRGF, RGPSA, 13<sup>th</sup> Finance Commission and State Finance Commission grants.

70. The main objective of BRGF which is being implemented in 4 districts is to redress the regional imbalances and bridge the critical gaps in infrastructure and other development requirements that are not being adequately met through existing development inflows.

71. RGPSA encompasses various components aimed at strengthening the Panchayat institutions as a whole and Gram Sabha in particular to improve the rural service delivery and people's participation in Democratic Governance at grass root level.

72. During the year 2013-14 an amount of Rs.562 crore was spent under 13<sup>th</sup> Finance Commission grants on maintenance of CPWS Schemes, PWS Schemes and Sanitation etc.

73. In addition to PMGSY which is under implementation, the State Government have introduced a Scheme for upgradation of road works taken up under MGNREGS Programme to BT standards. 346 works were taken up costing Rs.204.39 Crore covering a length of 635.95 Km for the year.

74. Maintenance of roads is done with grants received under MRR, 13<sup>th</sup> Finance Commission Grants, CRR and RDF Programmes.

75. A provision of Rs.4260 Crore is proposed in B.E. 2014-15.

### **Rural Water Supply:**

76. The major thrust of the Rural Water Supply & Sanitation Department is on coverage of Quality affected, partially covered and SC/ST habitations. Drinking water supply is provided through bore wells fitted with hand pumps, PWS Schemes and CPWS Schemes. Funds for providing water supply schemes are being provided by Government under various grants like NRDWP, State Plan, Finance Commission and through loans from financial institutions like NABARD, World Bank etc.

77. Infrastructure created is of 1,83,533 hand pumps fitted to borewells, 28,173 PWS/MPWS Schemes, 463 CPWS Schemes and 105 Water Testing Laboratories. Status of habitations as on 1.4.2014 is: 16,742 Fully Covered Habitations (more than 55 LPCD supply), 29,304 Partially Covered Habitations (0-55 LPCD supply) and 1,144 Quality Affected Habitations.

78. Under NRDWP, 4071 SVS/MVS works are in progress to cover 8901 habitations. To tackle salinity problem in 9 coastal districts, 47 MVS works are in progress under

Thirteenth Finance Commission (TFC) grant. 159 SVS/MVS works are ongoing under Externally Aided Project (WB).

79. To address the issue of quality of drinking water, the State Government has taken a major policy decision to implement "NTR Sujala Pathakam" to provide safe & potable water of 20 litres for Rs.2.00 to each household. Quality problems are associated with water supply and distribution networks and also the issue of hygiene and handling of water at the household level. The programme is proposed to be implemented from 2<sup>nd</sup> October, 2014 in about 5000 habitations in Phase-I.

80. It is also proposed to create Water Grid Corporation and transfer all the assets pertaining to drinking water supply to this Corporation. This Corporation is expected to raise resources and create a Water Grid across the State.

81. To achieve 100% rural sanitation in the State, the Government have taken up construction of Individual House Hold Latrine, Schools toilets and Anganwadi toilets as units.

82. A provision of Rs.1152 Crore is proposed in B.E. 2014-15.

### **Urban Development**

83. There are 111 Urban Local Bodies. During the year 2013-14, 28 Major Gram Panchayats were upgraded as

Nagara Panchayats and Grade-III municipalities and certain hamlets were included in the 6 Municipal Corporations. Though elections have been conducted for urban local bodies in the recent past, elections have not been held for 6 municipal corporations and 6 municipalities due to court cases. The Government will request the State Election Commission to conduct elections to these urban local bodies soon.

84. Andhra Pradesh is witnessing rapid urbanisation for the last two decades. Provision of minimum basic amenities to the people living in urban areas has become a challenge. State Government will take maximum advantage of the Scheme for creation of Smart Cities announced by Govt. of India. Under this scheme Smart Cities will be developed across the State by providing State of the art, infrastructure and basic amenities besides making them technology enabled with enhanced livelihood opportunities. The State Govt. intend to develop 10-12 Smart Cities. The State Government has taken many policy decisions and initiatives to facilitate holistic and inclusive growth of urban areas. The State Government have accessed funds under Government of India's flagship urban programme of JNNURM. Special emphasis has been given to Water Supply and Sewerage, Transport, Integrated development of slums including housing, infrastructure projects, and Solid Waste Management. Out of 152 projects sanctioned so far under JNNURM with an estimated cost of Rs.6,620 crore 94 projects were completed.

85. Under Mission for Elimination of Poverty in Municipal Areas (MEPMA) 19 lakh women were facilitated to form into 1.82 lakh SHGs. About 1.50 lakh SHGs were facilitated to avail Bank linkages of Rs.7727 Crore.

86. Top priority is given to providing protected drinking water, sanitation and hygienic environment which are vital for the wellbeing of people in all urban local bodies by strengthening the existing water supply and sewerage infrastructure facilities.

87. The National Urban Information System (NUIS) Scheme is a Centrally Sponsored Scheme for generation of databases useful for preparation of Development Plans and to serve as decision support system in e-Governance. The Scheme seeks to establish a comprehensive information system. The preparation of GIS Base maps under this scheme is under progress.

88. A provision of Rs.3134 Crore is proposed in B.E. 2014-15.

### **Labour and Employment:**

89. Labour department has the responsibility of implementing labour laws and schemes for the welfare of labour. During 2013-14 an amount of Rs. 8.89 Crore was spent on welfare activities for 4,124 Construction Workers and an amount of Rs.2.25 Crore for the welfare of 6,227 other workers. During 2013-14 an amount of Rs. 23.41

Crore was spent on improvement of education in ITIs and for training of unemployed.

90. A provision of Rs.276 Crore is proposed in B.E. 2014-15.

### **Health Medical and Family Welfare**

91. The Health, Medical and Family Welfare Department has been mandated with the responsibility of providing affordable, qualitative and timely health and medical care services including medical education to the needy.

92. The Primary and Secondary Health Care sectors will be strengthened and functioning of Health facilities streamlined with necessary infrastructure facilities, mandatory diagnostic facilities, adequate quantity of Drugs & Medicines, Materials and Supplies and other essentials to provide uninterrupted qualitative health related services to the needy.

93. Further, Tertiary care facilities for rendering qualitative super specialty services and Imparting qualitative Medical Education to the students will receive special attention.

94. Besides, the premier Institute viz., Visakha Institute of Medical Sciences, Visakhapatnam will be made operational and the facilities at Sri Venkateswara Institute of Medical Sciences, Tirupathi will be strengthened with financial

assistance under Pradhana Mantri Swasthya Suraksha Yojana. Steps will be initiated to establish AIIMS type Super-Speciality Hospital-cum-Teaching Institution in the State with grants from GOI.

95. A provision of Rs.4388 Crore is proposed in B.E. 2014-15.

### **School Education**

96. Our State is committed to Education for all and is making all out efforts towards achieving the goal and is implementing several important activities/schemes.

97. Hence, Sarva Shiksha Abhiyan, a flagship programme of Government of India is given priority in implementation. Objectives of which are enrolment of all children in the age group of 6-14 years in regular schools, their retention till completion of 8 years of elementary education, bridging gender and social category gaps and focus on elementary education of good quality.

98. During 2014-15, 48 new primary schools are opened and 11 are upgraded to Upper Primary. Class-VIII is being opened in 2,441 Upper primary schools. All teachers working in Government and aided schools are given in-service training. 35 lakh students studying in Government schools in classes I to VIII are being provided with 2 pairs of Uniforms. 345 Kasturba Gandhi Balika Vidyalayas are functioning at elementary level in Educationally Backward



Blocks to ensure access and quality education to the girls of disadvantaged groups of society.

99. Secondary Education serves as a bridge between elementary and higher education and deals with the age group of 14-18 years. All the activities under Rashtriya Madhyamik Shiksha Abhiyan (RMSA) is a Centrally Sponsored Scheme with an objective of making Secondary Education of good quality available, accessible and affordable. Various interventions for creation of physical infrastructure including quality of education and promoting equity are taken up in the State.

100. Hon'ble Chief Minister launched on 25.07.2014 in Anaparthi District, "**Badi Pilustondi**" programme aiming at 3 major goals, namely, to improve enrolment, retention and reduction of dropout rates.

101. A provision of Rs.12595 crore is proposed in B.E. 2014-15.

#### **Intermediate Education:**

102. There are 431 Junior Colleges and 8 Vocational Junior colleges in the Government Sector. The functioning of 131 Private Aided Junior Colleges is also being looked after by Director of Intermediate Education. There are large number of institutions in the Private Sector.

103. The total enrollment of students during 2013-14 is 4.83 lakh out of which in Government colleges and aided institutions it is 1.23 and 0.36 Lakh respectively and the overall percentage of students who passed the exam during the year is 65.58.

104. A provision of Rs.812 crore is proposed in B.E. 2014-15.

### **Higher Education:**

105. The Government have been taking several steps in the direction of improving access while promoting equity and inclusiveness and giving utmost emphasis to the quality and relevance of subjects taught in the institutions of Higher Education.

106. The State has achieved a higher Gross Enrollment Ratio of 21.6 in higher education compared to the national average of 18.8 and will make all efforts to achieve the GER of 32 by the end of 13<sup>th</sup> plan period as envisaged by Govt. of India under Rashtriya Uchchar Shiksha Abhiyan (RUSA) scheme. This scheme has an outlay of Rs. 22,855 Crore from the 12<sup>th</sup> Plan onwards. Our State will be submitting a proposal for Rs.1600 Crore to GOI under the scheme for the 12<sup>th</sup> plan period.

107. To improve the employability of students Government have introduced Soft Skills and Communication Skills as part of English curriculum at the Under-Graduate level.

Government will be establishing four model degree colleges at a cost of Rs. 12 Crore during the year 2014-15 in the state under RUSA scheme. Government is implementing TEQIP-II (Technical Education Quality Improvement Programme) Project in 11 institutions in the state with an estimated outlay of Rs.88.80 Crore. Government have sanctioned IIIT Sri City in Chittoor District and is likely to establish another IIIT at Kakinada under PPP mode.

108. Several national institutions will be established in the State by GOI as part of their obligation under schedule thirteen of the AP Reorganisation Act , 2014.

109. A provision of Rs.2275 Crore is proposed in B.E. 2014-15.

### **Environment, Forests, Science & Technology**

110. Forest area of the State is 36,917 Sq.km, out of which only 9,764 Sq.km is dense forest constituting 22.61% of the total geographical area. There are 13 Wildlife Sanctuaries, 3 National parks and 2 Zoo Parks in the State. Various forestry programmes are being taken up to protect and develop the existing forest cover through participation of local communities organized into 4,320 Vana Samrakshana Samithis (VSS) and Eco-development Committees.

111. Forest department has been adopting modern Information Technology and tools of spatial management like Geographical Information System, Remote Sensing, and

Global Positioning System for monitoring of Vegetation Canopy Cover, Density, Forest Fire Risk Zonation Mapping and for re-locating & demarcating the forest boundaries.

112. One of the major challenges before the State today is forest protection from encroachments and smuggling activities especially in Red-sanders areas. Government have taken several steps for protection of forest resources.

113. The National Forest Policy envisages 33% tree cover. The total tree cover in the State is approximately 25.64 % and the gap is 7.36%. To bridge the gap massive afforestation programmes are to be taken up.

114. The A.P. Forest Development Corporation is managing 48,637.61 Ha., of degraded forest area out of which 26,932 Ha., has been converted into high yielding Eucalyptus clonal plantations. The Corporation is maintaining Bamboo over 2,380 Ha.; Cashew over 8,950 Ha. and Coffee over 4,010 Ha., in the Visakhapatnam agency areas.

115. A provision of Rs.418 Crore is proposed in B.E. 2014-15.

### **Infrastructure & Investment**

116. The Infrastructure & Investment Department is dealing with Ports, Airports and Natural Gas. Government have taken up many Infrastructure Projects in this sector through Public Private Partnership mode.

117. Andhra Pradesh has a coastal line of about 975 kms long with one Major Port at Visakhapatnam and 14 Non Major Ports. The four non Major Ports viz., Kakinada Anchorage Port, Kakinada Deepwater Port, Krishnapatnam Port and Gangavaram Port and one captive port at Rawa are in operation and trading activities are going on.

118. All these ports handled a record cargo of 58 Million Tons and earned revenue of Rs. 144 crore during the year 2013-14. It is anticipated to earn an amount of Rs. 153.00 crore by handling 65 Million Tons of cargo during the year 2014-15.

119. The Government proposes to develop Machilipatnam port under public private participation. In addition to the existing Non-Major ports, Government have decided to develop 14 Minor Ports under PPP mode which include ports at Bhavanapadu and Calingapatnam. There is a proposal from Government of India for establishment of a Second Major Port in the State and one more commercial port at Kakinada in Private Sector.

120. State Government is extending support to Airport Authority of India for expansion / modernization of existing Airports at Vijayawada, Rajahmundry, Tirupathi and Kadapa. In respect of Vijayawada Airport, the AAI proposes to undertake construction of a new terminal building and a control tower. The extended runway is in operation. And

one Greenfield Airport is envisaged in between Vijayawada and Kakinada.

121. Government of India has been requested for extending assistance for the proposed No-frills Airports at Kuppam in Chittoor District, Kurnool City, Nellore and Srikakulam as the State is to be declared as Special Category State.

122. The State owned Andhra Pradesh Gas Infrastructure Corporation (APGIC) has won four blocks in KG Basin along with other consortium partners in the bidding conducted by Government of India.

123. Andhra Pradesh Gas Distribution Corporation Limited (APGDC) is a joint Venture of APGIC and GAIL Gas Limited, a wholly owned subsidiary of GAIL (India) Limited. APGDC is keen to participate in the business of CGD Networks, Trunk Pipelines, Regional Grids, CNG and import of LNG and its Re-gasification.

124. State Government is keen to establish an LNG importation terminal on the Coast keeping in view the growing of gap between demand and supply of Natural Gas. The demand is quite huge within the State particularly from power, fertilizer, refinery, glass, ceramic and CGD sectors. APGDC has identified Kakinada Deep Water Port, Kakinada as an ideal location to set up this Terminal.

125. Government have approved the proposal for establishment of FSRU based LNG Terminal at Kakinada Deep Water Port. Approval has also been accorded for establishment of another LNG Terminal at Gangavaram Port, Visakhapatnam District through a JV Company with Petronet LNG Terminal.

126. A provision of Rs.73 Crore is proposed in B.E. 2014-15.

### **Roads & Buildings:**

127. The mandate of R&B Department is to maintain the major road network of 46,440 Km., in traffic worthy condition and develop a robust road network. The length of National Highways is 4,302 Kms, State Highways is 7,255 Kms, Major District Roads is 19,783 Kms and Z.P Taken over roads is 15,100 Kms. Core net Road length is 6,800 Kms. The State Roads wing maintains 35,338 km of State Roads which are not included in the core net.

128. The Government have taken a serious view of road accidents occurring in the State and issued comprehensive instructions and guidelines for implementation of the Road Safety Measures on all R&B Roads in the State based on the recommendations of the State Level Road Safety Technical Committee.

129. ROBs/RUBs have been constructed in lieu of busy manned level crossings as per the norms of the Ministry of

Railways. Some ROBs/RUBs are also being taken up with 100% funding from the State Government.

130. Works have been taken up under National Cyclone Risk Mitigation Project (NCRMP), a World Bank Aided Project implemented in 9 Coastal Districts, to provide necessary connectivity to the habitations and cyclone shelters to facilitate evacuation or transportation of relief material quickly.

131. Four bridge works under EPC mode costing about Rs. 130 Crore and four more important Major Bridges costing about Rs.165 Crore are in progress in the state.

132. A provision of Rs.2612 Crore is proposed in B.E. 2014-15.

## **Energy**

133. Andhra Pradesh has been selected along with Delhi and Rajasthan for implementation of “Power For All” programme of Government of India. The objective of the programme is to supply 24x7 quality, reliable and affordable power to all domestic, commercial and industrial consumers within a fixed time frame.

134. An additional capacity of around 2925 MW power is likely to be commissioned during this financial year from APGENCO, Central Generating Stations & Independent Power Producers. Government have already permitted AP



Discoms to procure 2000 MW on a long term basis. Government is keen to tap Renewable Power potential of the State with special focus on Solar and Wind power to meet the growing demand in an environmentally sustainable manner. Government is coming out with a comprehensive new Solar and Wind policy to encourage Solar and Wind capacity additions in the State.

135. Government have permitted Discoms to procure 1000 MW of Solar power through a transparent and competitive bidding process. Two Solar Parks with a potential capacity of 1000 MW are proposed to be set up in Guntur and Ananthapuramu districts. Focus would be on giving Solar Pump Sets to farmers and to promote roof top Solar Systems.

136. Around 3000 MW of Wind and 2000 MW of Solar power is proposed to be added in a phased manner. An amount of Rs.5000 Crore. is proposed to be invested for green corridor evacuation of Wind and Solar power.

137. Government of A.P. is committed to supply 7 hours of free power to agriculture consumers which would be increased to 9 hours progressively. Agriculture feeder separation would be taken up in a phased manner to provide quality and three phase reliable power to rural areas.

138. A provision of Rs.7164 Crore is proposed in B.E. 2014-15.

## **Irrigation**

139. The State is blessed with three major rivers namely Godavari, Krishna and Pennar with an ayacut of 101.60 lakh acres under Major, Medium and Minor Irrigation sectors. 54 Major & Medium Irrigation Projects costing Rs.80,620 Crore were taken up from 2004 onwards. Out of 54 Projects, 13 Projects were completed and 14 Projects are ongoing giving partial ayacut. From these projects 11.878 lakh acres of new ayacut was created and 3.00 lakh acres stabilized with an expenditure of Rs.19,378 Crore.

140. 39 Projects are to be completed excluding Polavaram and Uttarandhra Sujala Sravanthi Projects. However, 11 Projects which are in an advanced stage and close to completion are proposed for the year 2014-15 with a target IP creation of 2,03,628 acres (new) and 35,990 acres to be stabilized.

141. Recognizing the importance of Polavaram project for the State, the Govt. of India declared this project to be a National project and also declared that the Union should take under its control the regulation and development of the Project for the purpose of irrigation.

142. Minor Irrigation plays an important role in the development of agriculture and livelihoods, particularly in drought prone areas and areas outside the command of Major and Medium projects. Minor Irrigation sector consists

of components like, construction of new sources and restoration of existing tanks and Water bodies under various programmes of the State and Central Governments. It is our vision to provide water to the fields, wherever possible, through micro irrigation.

143. APSIDC is serving an ayacut of about 7.00 lakh acres under 1,151 schemes. About 89 schemes are ongoing with a balance cost of Rs. 581 Crore to create new ayacut of 1.45 lakh acres under NABARD, AIBP and state plan programmes. 16 new schemes have been sanctioned to create new ayacut of 14,800 acres.

144. A provision of Rs.8465 Crore is proposed in B.E. 2014-15.

### **Industries and Commerce**

145. I regret to note that Andhra Pradesh Reorganisation has left the industries sector in a dismal state. Industrialization normally happens with the presence of large public sector undertakings, Research and Development Institutes, industrial laboratories, renowned training institutes, and related infrastructure. The state reorganization has severely depleted Andhra Pradesh of these facilities.

146. Having recognized the necessity of development of industries for creating employment opportunities to the youth and revenue generation to the government, the

government is actively working on preparing a mission strategy to achieve rapid industrialization.

147. It is, however, heartening to note that the state has plenty of resources for promotion of industries in the state. The state has a long coastline which is a major source for creating world class logistic hubs and new ports and for promoting marine economy. Using its large agriculture / horticulture base, the state will promote food processing sector. Similarly using its vast mineral resources the State aims to promote a large number of mineral based industries like cement, aluminum, granite, steel, ferro alloys, ceramic, glass, paper, fertilizers, chemical and petro-chemical industries. The promotion of these industries will be backed by 24 x 7 power supply.

148. The AP Reorganisation Act 2014 provides for Special Development Package to provide incentives, in Rayalaseema and north coastal regions in particular for setting up Industries. Government of India is mandated to provide appropriate fiscal measures, including offer of tax incentives to promote industrialization and economic growth of Andhra Pradesh and develop the Vizag-Chennai Industrial Corridor on priority basis.

149. In addition the Government of India has assured to consider granting Special Category Status to Andhra Pradesh which provides exemptions from certain central government taxes for the investments made in the state. Further, in the recent budget speech, the Union Finance

Minister announced that an electronic manufacturing complex will be developed in Kakinada besides a smart city in Nellore district.

150. The State Government is initiating a number of steps to attract major investments including New Investor friendly industrial policy, strengthening the existing AP Single Window Act, Online Project Monitoring system, appointment of Escort Officers for large industrial projects, reforms in the APIIC land allotment policy, identification and acquisition of lands required for the major industrial parks, special focus on implementation of NIMZs, SEZs, PCPIR and mega industrial parks and strengthening the existing industrial parks / industrial estates with full-fledged infrastructure to ensure that projects are implemented expeditiously without any bottlenecks.

151. A provision of Rs.615 Crore is proposed in B.E. 2014-15.

### **Information Technology and Communications**

152. The combined State of AP had attained a leadership position in e-Governance and IT. However, the new state of Andhra Pradesh accounts for only 2% of the IT Export Turnover and about 1.8% of employment. It is, therefore, imperative for the new State to take initiatives which are more attractive to suit the current and future requirements to augment the growth of the economy and spur employment generation in the state. It is a known fact that

for each direct employment generated in IT, the corresponding indirect employment would be about 4 times.

153. Keeping this in view, Government have come up with a Blueprint Reimagining Andhra Pradesh–Role of e-Governance, Electronics & IT which envisages specific goals to be achieved by 2020 and broad approach to be adopted for realizing the vision 2029.

154. Key targets for the Department are creation of 5 lakh additional direct IT jobs as against the present employment of 21795, achieving 5% share in national exports of Software, i.e., about the Rs.43000 Crore as against Rs.1622.20 crore at present, to attract Investments of US \$ 2 bn in IT and US \$ 5 bn in Electronics manufacturing, forming a Silicon Corridor linking manufacturing hubs, to reach Gigabit to All Villages making the State Digital AP and to make at least one person e-literate in every house.

155. To achieve the envisaged results in a time-bound and coordinated manner, 18 Policies/ Frameworks and 3 Missions are being constituted viz., e-Government Mission, Electronics & IT Promotion Mission and Innovation & Capacity Building Mission.

156. For promoting AP as the Most Preferred IT/ITES/Electronic Hardware Destination, Government will accelerate the provision of world-class physical infrastructure through development of Mega IT Hubs with

walk to work & cycle to work concepts, creation of IT Investment Regions, Electronic Manufacturing Clusters, IT Towers, IT Parks, IT Lay Outs, etc. An effective single-window system shall be established to reduce time to set up business and cost of doing business with e-Biz initiative in transparent and time-bound manner. Further, thrust will also be laid on Innovation, Start-ups and Capacity Building of human resources by taking up various measures with industry participation. The ultimate vision is to transform the present 'Information Society' into 'Knowledge Society'. I would like to quote the words of our former President of India, Dr. A.P.J. Abdul Kalam who said that:

*We need a societal transformation and sustainable development for our growth. These two aspects are realizable in a time bound manner only through creation of a knowledge society which alone will empower the entire nation.*

157. A provision of Rs.111 Crore is proposed in B.E. 2014-15.

### **Disaster Management**

158. Andhra Pradesh witnessed five natural calamities like, 'Phailin' Cyclone, heavy rains & floods, 'Helen' and 'Lehar' Cyclones and unseasonal heavy rains during 2013-14. Separate Memoranda to Gol were submitted seeking an aggregate financial assistance of Rs.2,969 Crore. The Gol released Rs.700 Crore as advance, pending the final assessment of the requirement.

159. Agriculture / Horticulture input subsidy aggregating to Rs.1464 Crore was released for Drought-2012 and 'Nilam' Cyclone, during 2013-14. In order to ensure that the input subsidy directly reaches the affected ryots, the disbursement of input subsidy is made through 'Online system'.

160. A provision of Rs.403 Crore is proposed in B.E. 2014-15.

### **Law and Order**

161. Major achievements of the Law and Order machinery in the recent past are conducting Multiple Elections to various bodies including the General Elections in 2014 without any major law and order incident, conducting Rescue operations during Phailin, Helen and Lehar cyclones, OCTOPUS commandos arresting terrorists of Al-Uma organization in Chittoor District in coordination with Tamilnadu Police and achieving the status of being first State in the Country to operationalize all 21 Coastal Security Police Stations.

162. With a view to effectively respond to public grievances the Dial 100 Command Control Centre has been established, in which already 2.14 million calls have been received since its inception with 95% satisfaction level. Construction of Reception Centers in Police Stations to facilitate smooth interaction with the public has been taken up in a big way.



163. After bifurcation of the State, proposals were sent to the Govt. of India for setting up State of the art Grey Hounds Training Centre with an outlay of Rs.683 Crore, Grey Hounds Hub at Kurnool with an outlay of Rs. 412 Crore and 6 APSP Battalions.

164. A provision of Rs.3739 Crore is proposed in B.E. 2014-15.

### **Revenue**

165. Revenue Department is providing valuable services to the citizens and in particular to the farmers by maintaining upto date records of lands. Recently the Department has computerized the land records and started 68 services of different types through Mee-Seva. The Department has taken initiative to integrate the Revenue and Registration Records. It has also started issuing E-Pattadar pass books. A new software called 'Sarkar Bhoomi' has been launched for preparing an inventory of Government lands. Till now about 17 lakh records have been entered. During the year 2013-14 an amount of Rs. 30 Crore was spent for protection of Government lands by constructing boundary walls and fencing.

166. A provision of Rs.1177 Crore is proposed in B.E. 2014-15.

## **Finance**

167. Comprehensive Financial Management System (CFMS) is a Project of Finance Department to bring effectiveness, efficiency, transparency and accountability to public financial management. CFMS is intended to ensure “Single source of truth”, with essential ingredient of providing seamless interface to internal stakeholders and efficient mechanism of electronic information sharing with external stakeholders. The Application is in the final stage of development and testing of application is also in progress.

168. As part of 100 days Action Plan of Finance Department action is being taken to operationalize land acquisition compensation payments by e-payment mechanism, online payment to Vana Samrakshana Samithis, software for the Personal Deposit Administrators, Bill Monitoring System and e-Payments in both Treasury & PAO offices in the State.

169. Orders have been issued enhancing the age of superannuation of Government employees from 58 to 60 years. I assure that our Government will peruse policies which will be conducive to the welfare of employees.

## **Accounts 2012-13**

170. The final accounts of 2012-13, show a revenue Surplus of Rs.1128 crores, and fiscal deficit is well within the FRBM Act, at Rs.17508crores which is 2.32% of GSDP.

### **Revised Estimates 2013-14**

171. The Revised Estimates of 2013-14 indicate a revenue surplus of Rs. 1,023 Crores. The fiscal deficit is estimated at Rs.24,487 crores which would be 2.87% of GSDP.

### **Budget Estimates 2014-15**

172. For the financial year 2014-15, Government proposes an expenditure of Rs.1,11,824 crores; Non-plan expenditure is estimated at Rs.85,151 crores and Plan expenditure at Rs.26,673 crores. The estimated revenue deficit is Rs.6,064 crores and Fiscal Deficit is estimated at Rs.12,064 crores. The fiscal deficit works out to 2.30% of GSDP whereas the Revenue Deficit works out to 1.16%. These estimates include the receipts and expenditure of two months relating to undivided State of Andhra Pradesh and the anticipated additional assistance of Rs. 14,500 Crores from Government of India in the context of State reorganization. If these are excluded, the Revenue Deficit of the residuary State of Andhra Pradesh will be Rs.25,574 Crores and the Fiscal Deficit will be Rs.37,910 Crores as per Vote on Account and as indicated in the White paper on State Finances. In terms of percentage to GSDP, they work out to be 4.84% and 7.18% respectively.

173. I am confident that the Budget 2014-15 will initiate the process of building the new State on sound lines and pave way for taking rapid strides in the years to come. Our priority is inclusive growth in which equitable opportunities

are advanced to all participants in the process of economic growth and benefits accrue to all sections of the Society, particularly those belonging to vulnerable sections.

I conclude with the words of Martin Luther King Jr.,

*"I have a dream that one day every valley shall be exalted, every hill and mountain shall be made low, the rough places will be made plain, and the crooked places will be made straight....."*

To achieve the above mentioned targets, our Govt. is committed to continuously and restlessly, work to make the State 'A Swarna Andhra Pradesh'. I quote the words of Robert Frost:

*"Many miles to go before we sleep  
Many miles to go before we sleep"*

174. I commend this Budget for the approval of the House.

***// JAI HIND //***