

# Presentation on State finances

February 2024

## Revenue loss to the State owing to the challenges

CAGR of State Tax Revenues during 2015-19

**13.29%**

Aggregate of projected revenues during 2019-22 (COVID)

**2,24,603 Cr**

VS

Aggregate of **actual** revenues during 2019-22

**1,85,687 Cr**

Revenue loss on account of State tax revenues

**38,916 Cr**

CAGR of Central Gross Tax Revenues during 2015-19

**12.76%**

Aggregate of devolutions to AP during 2019-22 projected

**1,15,552 Cr**

VS

Aggregate of **actual** Devolutions during 2019-22

**88,352 Cr**

Revenue loss on account of State's share in Central taxes

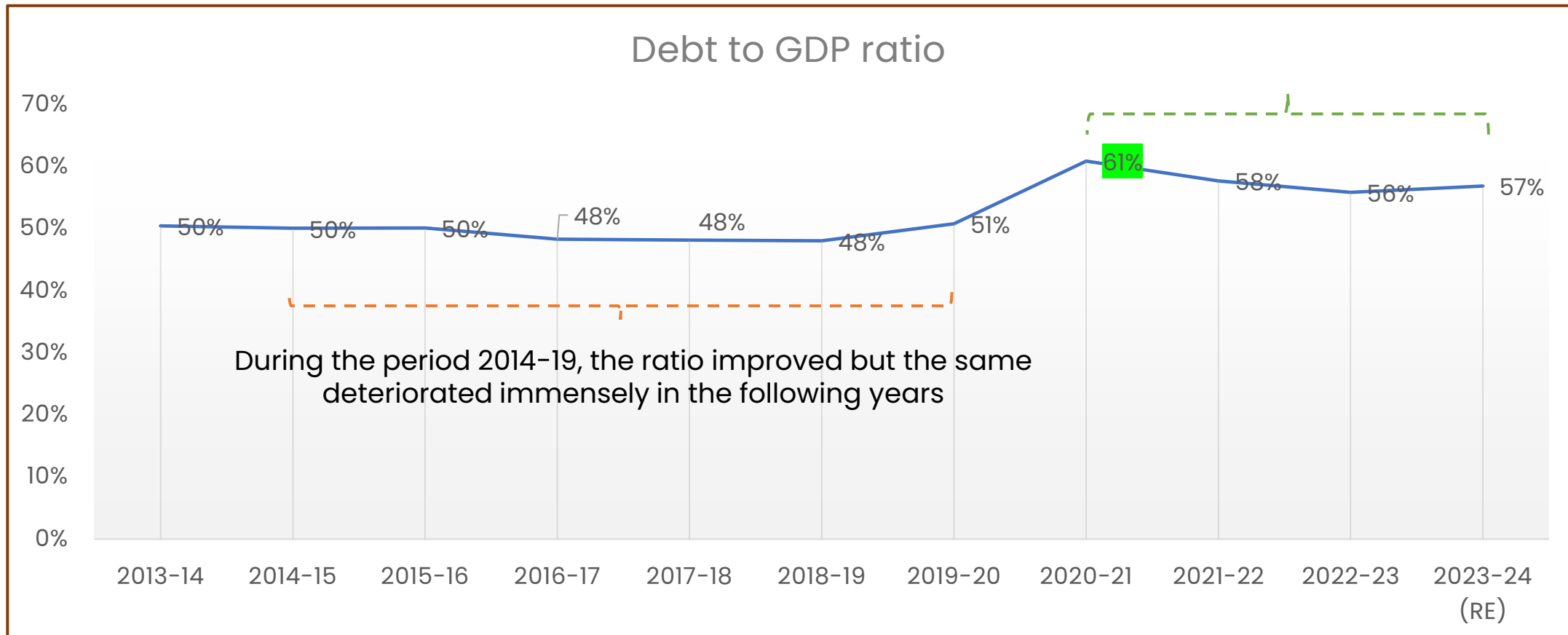
**27,200 Cr**

Total estimated loss of revenue–

**Rs. 66,116 cr**

## Central Government Debt to GDP

Central Govt debt to GDP increased to unprecedented levels during 2020-21, conveys the distress prevailing across the entire Country's economy.



## Contraction of Devolution of Central Taxes

Financial year	Gross Tax Revenues	States' share in Central Taxes	% of GTR devolved	% Devolved (Finance Commission period wise)
2010-11	7,93,072	2,19,303	27.65%	28% (13 <sup>TH</sup> FC period) Finance Commission Recommendation - 32%
2011-12	8,89,177	2,55,414	28.72%	
2012-13	10,36,235	2,91,547	28.14%	
2013-14	11,38,733	3,18,230	27.95%	
2014-15	12,44,886	3,37,808	27.14%	
2015-16	14,55,648	5,06,193	34.77%	35% (14 <sup>th</sup> FC period) Finance Commission Recommendation - 42%
2016-17	17,15,822	6,08,000	35.43%	
2017-18	19,19,008	6,73,005	35.07%	
2018-19	20,80,465	7,61,454	36.60%	
2019-20	20,10,059	6,50,677	32.37%	
2020-21	20,27,104	5,94,997	29.35%	31.5% (15 <sup>th</sup> FC period) Finance Commission Recommendation - 41%
2021-22	27,09,316	8,98,392	33.16%	
2022-23	30,54,192	9,48,405	31.05%	
2023-24 (RE)	34,37,211	11,04,493	32.13%	
2024-25 (BE)	38,30,796	12,19,783	31.84%	

The 14<sup>th</sup> Finance Commission recommended a devolution of 42% of the Central taxes (excluding cesses and surcharge) to States during the period (2015-20) and the 15<sup>th</sup> FC has recommended 41% for the next five years.

However, the Central Government has enhanced tax levy in the form of **cesses and surcharge** has placed the proceeds beyond the reach of the States.

As can be seen in the table, the States' share has come down. This has further exacerbated the fiscal stress faced by the States.

# Contraction in State's share in Central Taxes

4.

## AP State's Share in Central Taxes as a % of GSDP

Financial year	AP State's share in Central Taxes	GSDP	Share in Central Taxes as a % of GSDP	Share in Central Taxes as a % of GSDP
2015-16	21,791.61	6,04,228.62	3.61%	<b>3.72%</b>
2016-17	26,174.40	6,84,415.87	3.82%	
2017-18	28,972.87	7,86,135.42	3.69%	
2018-19	32,780.59	8,73,721.11	<b>3.75%</b>	<b>2.92%</b>
2019-20	<b>28,011.64</b>	9,25,839.12	3.03%	
2020-21	<b>24,460.33</b>	9,77,815.00	2.50%	
2021-22	<b>36,357.92</b>	11,48,471.00	3.17%	
2022-23	<b>38,381.95</b>	13,03,524.00	<b>2.94%</b>	

There has been a perceptible reduction in AP State's share in Central Taxes as a % of GSDP

# Education scenario as per data released in 2018 march

Gross Enrolment Ratio			
State/UT	Total	State/UT	Total
Meghalaya	139.39	Karnataka	99.38
Manipur	130.55	Maharashtra	98.3
Arunachal Pradesh	127.8	Telangana	97.79
Mizoram	126.56	Rajasthan	97.24
Sikkim	118.78	Gujarat	96.66
Delhi	116.61	Kerala	95.42
Tripura	114.32	Uttarakhand	94.58
Bihar	107.74	Madhya Pradesh	94.31
Jharkhand	107.08	Haryana	91.77
West Bengal	104.16	Andaman and Nicobar Islands	87.08
Assam	101.62	Chandigarh	86.68
Goa	101.12	Uttar Pradesh	86.15
Himachal Pradesh	100.89	Puducherry	85.64
Chhattisgarh	100.87	Dadra and Nagar Haveli	85.59
Punjab, India	100.44	<b>Andhra Pradesh</b>	<b>83.29</b>
Nagaland	100.37	Daman and Diu	80.99
Odisha	100.2	Jammu and Kashmir	80.09
Tamil Nadu	99.94	Lakshadweep	77.48

Ranked 33<sup>rd</sup> position out of 36 States/UT's

Agriculture – promise and failure

5.

Out of total  
**87,612 Cr**  
 loans promised to be  
 waived off to farmers,  
 only  
**15,000 Cr**  
 were repaid to farmers.

This led to huge farm  
 distress and  
 indebtedness among the  
 farmers.

# Fiscal deprivation due to State bifurcation

6.

Andhra Pradesh and Telangana few key parameters comparison

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Gross State Domestic Product (Rs. In crores)</b>					
Andhra Pradesh	5,24,975.64	6,04,228.62	6,84,415.87	7,86,135.42	8,73,721.11
Telangana	5,05,848.79	5,77,902.06	6,58,325.34	7,50,050.28	8,57,427.15
Combined State	10,30,824.43	11,82,130.67	13,42,741.21	15,36,185.70	17,31,148.26
Andhra Pradesh Share	50.93%	51.11%	50.97%	51.17%	50.47%
Telangana Share	49.07%	48.89%	49.03%	48.83%	49.53%
<b>Population (in Crores)</b>					
Andhra Pradesh	5.02	5.05	5.08	5.11	5.14
Telangana	3.54	3.56	3.58	3.61	3.63
<b>Per Capita GSDP</b>					
Andhra Pradesh	1,04,583.10	1,19,653.57	1,34,724.47	1,53,824.60	1,69,942.99
Telangana	1,42,809.37	1,62,178.12	1,83,645.63	2,07,985.20	2,36,342.22
<b>State's own tax revenues (Rs. Crores)</b>					
Andhra Pradesh	29,857.00	40,008.39	44,271.00	49,515.13	58,037.41
Telangana	29,259.00	39,989.08	48,467.04	56,538.87	64,678.37
<b>Tax revenues to GSDP %</b>					
Andhra Pradesh		6.62%	6.47%	6.30%	6.64%
Telangana		6.92%	7.36%	7.54%	7.54%
<b>Tax revenues per capita (Rs.)</b>					
Andhra Pradesh		7,922.74	8,714.57	9,688.72	11,288.56
Telangana		11,222.24	13,520.31	15,677.95	17,828.02

## Inference

If 58% of the combined State's tax revenues into consideration, then the loss of revenues to AP State on account of bifurcation on a yearly basis is to the tune of

**Rs. 13,000 crores**

This is an deprivation that will endure to eternity

Lower per capita GSDP

Lower tax revenues

Lower tax buoyancy

Lower per capita tax revenues

# Interventions on DBT basis

7.

Name of the Scheme	2019-24 (to date) Cr.	2014-19 Cr.
YSR Pension Kanuka	86,692.10	27,687.57
Housing (Payments made directly to the beneficiaries)	12,295.97	8,083.00
Jagananna Vidya Deevena	11,901.00	10,829.60
Dr. YSR Arogya Sri	8,845.53	5,177.38
Dr.YSR Free Crop Insurance	7,802.05	3,411.20
YSR 'Sunna' Vaddi (SHGs)	4,969.04	2,514.00
Jagananna Vasathi Deevena	4,275.76	2,572.88
Input subsidy to Farmers	1,976.43	286.99
YSR Bima	1,848.70	791.15
YSR Sunna Vaddi Panta Runalu	1,834.55	685.46
YSR Kalyanamasthu/Shadi Thofa	350.89	300.35
Jagananna Videshi Vidya Deevena	107.07	371.81
<b>No similar Schemes</b>		
YSR Rythu Bharosa	33,299.80	No Such similar scheme
Jagananna Ammavodi	26,067.30	
YSR Aasara	25,570.79	
YSR Cheyutha	14,129.12	
MSME Restart	2,086.42	
YSR Kapu Nestham	2,029.92	
Special Covid Assistance to White Card Holders	1,350.54	
YSR Vahana Mitra	1,302.34	
Jagananna Chedodu	1,260.17	
YSR EBC Nestham	1,257.14	
YSR Nethanna Nestam	982.98	
Dr.YSR Arogya Asara	971.28	
Agrigold	905.57	
YSR Matsyakara bharosa	538.06	
Jagananna Thodu (Interest)	88.33	
YSR Law Nestham	41.52	
<b>Total</b>	<b>2,54,818.07</b>	<b>62,711.39</b>

Average DBT per year  
~55,000 Cr

Impactful interventions were formulated and implemented despite the fiscal pressures owing to reasons described above.

These interventions are significantly higher than what was disbursed during the TDP regime.



# Non DBT schemes

8.

House sites for all  
31.19 lakh

**15,000 Cr** (land acquisition + Development cost)

**77,000 Cr** - (market value @2.5 lakh per site)

YSR Sampoorna Poshan  
35.7 lakh

**6,687 Cr**

Vidya Kanuka  
47.4 lakh

**3,366 Cr**

Distribution of tabs  
9.53 lakh

**1,306 Cr**

Power Subsidy

**48,175 Cr**

YSR Kanti Velugu  
79.94 lakh

**113.5 Cr**

PDS Rice  
1.46 Cr cards

**31,920 Cr**

Gorumudda  
43.26 lakh

**4,417 Cr**

TOTAL Non DBT

**1,07,898 Cr**

**1,76,358 Cr**

(Considering market value of @ 2.5 lakh per House sites)

# Capital Expenditure

9.

2014-19 (period of the previous Government)	
Year	Capital Exp (Rs Crs)
2014-15	7,265.00
2015-16	15,042.00
2016-17	15,707.00
2017-18	16,280.00
2018-19	21,845.00
Total	76,139.00
Average	15,227.80
2019-23 (period of present Government)	
Year	Capital Exp (Rs Crs)
2019-20	17,601.00
2020-21	20,690.00
2021-22	18,511.00
2022-23 (RE)	7,581.58
2022-23 (first nine months)	19,202.54
Total	83,586.12
Average	17,757.10

**Source - CAG**

*The TDP party and affiliated media continuously allege that the present Government is completely ignoring development and productive expenditure. The facts provided above, convey otherwise.*

Further, few comparisons are provided in the subsequent slides as to the amounts incurred on important areas by the present Government.

# Debt under sustainable levels

10

## Overall liabilities Statement of the State Government (All figures in INR Crores)

Particulars	As on date of State bifurcation	As of May 2019 (end of TDP regime)	As of January 31, 2024 (after 4 yrs 8 months of present Govt.) (Provisional)
<b>State Government liabilities (direct and contingent)</b>			
Public Debt and Public Account (Category I) <b>State Govt. Debt</b>	1,18,050.93	2,71,797.56	4,90,439.35
<b>Government guaranteed debt of public sector undertakings (Category II)</b>	14,028.23	59,257.31	1,43,660.27
<b>Total State Government liabilities (direct &amp; contingent)</b>	<b>1,32,079.16</b>	<b>3,31,054.87</b>	<b>6,34,099.62</b>
<b>CAGR of direct and guaranteed debt of the Government over different periods</b>		<b>20.17%</b>	<b>14.94%</b>
<b>Non - Govt guaranteed debt of State PSUs (only power sector would majorly contain this debt)</b>			
payables on account of power purchase (Discom liability)	2,893.23	21,540.96	8,569.85
Non - Govt. guaranteed debt of power sector corporations	18,374.41	59,692.17	60,802.50
<b>Non guaranteed liabilities of State PSUs (Category III)</b>	<b>21,267.64</b>	<b>81,233.13</b>	<b>69,372.35</b>
<b>CAGR of Increase in non Govt guaranteed liabilities of PSUs</b>		<b>30.74%</b>	<b>-3.33%</b>
<b>Total State Government liabilities and non-guaranteed PSU liabilities</b>			
<b>Grand total liabilities even if non - guaranteed liabilities included</b>	<b>1,53,346.80</b>	<b>4,12,288.00</b>	<b>7,03,471.97</b>
<b>CAGR of liabilities over different periods</b>		<b>21.87%</b>	<b>12.13%</b>

CAGR of liabilities growth during 2014-19

**21.87%**

CAGR of liabilities growth during 2019-24

**12.13%**

Sources – RBI, CAG, State Budget documents, power sector corporations second quarter reports

# Over borrowings under TDP Regime

Financial Year	Nominal GSDP (Rs Crs)	Fiscal Deficit (Rs Crs)	FD as % of GSDP	FD % as Recommended by Finance Commission	Fiscal Deficit as permitted by recommendations of FC (Cr.)	Overborrowing (Cr.)	Overborrowing (Cr.)
2014-15	5,24,976	<b>20,745</b>	3.95	3.00	<b>15,749.27</b>	4,995.73	<b>28,457.29</b>
2015-16	6,04,229	<b>22,059</b>	3.65	3.00	<b>18,126.86</b>	3,932.14	
2016-17	6,84,416	<b>30,908</b>	4.52	4.30	<b>29,429.88</b>	1,478.12	
2017-18	7,86,135	<b>32,380</b>	4.12	3.00	<b>23,584.06</b>	8,795.94	
2018-19	8,73,721	<b>35,467</b>	4.06	3.00	<b>26,211.63</b>	9,255.37	
2019-20	9,25,839	<b>39,687</b>	4.29	3.25	<b>30,309.17</b>	9,377.83	<b>-366.06</b>
2020-21	9,77,815	<b>55,168</b>	5.64	5.00	<b>48,890.75</b>	6,277.25	
2021-22	11,48,471	<b>25,013</b>	2.18	4.50	<b>51,681.20</b>	-26,668.46	
2022-23	13,03,524	<b>51,453</b>	3.95	4.00	<b>52,140.96</b>	-687.74	
2023-24 P	14,39,674	<b>61,724</b>	4.29	3.50	<b>50,388.59</b>	11,335.06	

Overborrowing during TDP Govt. **Rs. 28,457 Crores**

No Over borrowing during YSRCP Govt.

*Note – The opposition parties and their affiliated media frequently allege that the present Government is borrowing recklessly. However, as can be seen in the above table, when comparison is made between the amount actually borrowed by the Government and the amount that should have been borrowed if the Finance Commission recommendations are to be adhered to, the TDP Government has resorted to an overborrowing of Rs. 37,354 crores during their tenure and the present YSRCP Government has resorted to lower borrowing that what is regarded as permissible.*

Source – CAG, Finance Commission reports

# Growth of liabilities

Debt to GSDP comparison	
Particulars	Amt. (Cr.)
Outstanding liabilities of State Govt. and PSUs as of June 2014	1,53,346.80
Outstanding liabilities of State Govt. and PSUs as of May 2019	4,12,288.00
<b>Increase in liabilities during the TDP Govt. 5 yr. period</b>	<b>2,58,941</b>
Cumulative GSDP during the 5 year TDP period	34,73,475
<b>Liabilities increase to GSDP ratio during the 5 year TDP period</b>	<b>7.5%</b>
Outstanding liabilities of State Govt. and PSUs as of May 2019	4,12,288
Outstanding liabilities of State Govt. and PSUs as of January 2024	7,03,472
<b>Increase in liabilities during the YSRCP Govt. 4 yr. 8 month period</b>	<b>2,91,184</b>
Cumulative GSDP during the 4 year 8 month YSRCP period	55,55,377
<b>Liabilities increase to GSDP ratio during the 4 year 8 month YSRCP period</b>	<b>5.2%</b>

**Central Govt borrowings to GSDP 2014-19**

**3.6%**

**Central Govt borrowings to GSDP 2019-24**

**6.5%**

*Note – Across almost all economies in the world and in all States in our Country, we have witnessed increase in borrowings to GDP in 2019-24, when compared to previous periods. Reverse scenario was witnessed only in our State Government*

*Source – CAG, Finance Commission reports, Union Budget documents, RBI*

# DBT + Non DBT

Name of the Scheme - DBT	Expenditure (Cr)
YSR Pension Kanuka	86,692.10
YSR Rythu Bharosa	33,299.80
Jagananna Ammavodi	26,067.30
YSR Aasara	25,570.79
YSR Cheyutha	14,129.12
Housing (Payments made directly to the beneficiaries)	12,295.97
Jagananna Vidya Deevena	11,901.00
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Agrigold	905.57
YSR Matsyakara bharosa	538.06
YSR Kalyanamasthu/Shadi Thofa	350.89
Jagananna Videshi Vidya Deevena	107.07
Jagananna Thodu (Interest)	88.33
YSR Law Nestham	41.52
<b>Total</b>	<b>2,54,818.07</b>

Name of the Scheme - Non DBT	Expenditure (Cr)
Power Subsidy (200 Units to SC, ST Households & Acqua Farmers & 9 Overs free Power)	41,714.06
PDS Rice	31,920.00
House Sites * (Compensation Paid for land acquisition & land development)	15,000.00
Market Value at the rate of minimum 2.5 lakh per house site for 31.19 lakh	(77,000 cr)
YSR Sampurna Poshana	6,687.93
Jagananna Gorumudda	4,417.21
Jagananna Thodu (Loans)	3,373.73
Jagananna Vidya Kanuka	3,366.53
Distribution of Tabs to VIII Class Students with Byjus Content	1,306.00
<b>Total</b>	<b>1,07,898</b>

Total DBT+Non DBT  
3,62,716 Cr

Avg DBT+Non DBT per year  
~72,500 Cr

TDP Assurances financial implications - Calculation

The financial implication for these promises ~73,440 Cr per annum

**ఆడబిడ్డ నిధి**  
18 ఏళ్ళు నిండిన ప్రతి మహిళకు నెలకు రూ.1500, అంటే ఏడాదికి, ఓటర్ల జాబితా ప్రకారం ఉన్న 2.01 కోట్ల మహిళలకు **₹36,180 కోట్లు**

**మహాశక్తి**

**దీపం**  
ప్రతి కుటుంబానికి ఏడాదికి 3 గ్యాస్ సిలిండర్లు ఉచితం, అంటే ఏడాదికి, 1.54 కోట్ల గ్యాస్ కనెక్షన్లకు **₹4,634 కోట్లు**

**తల్లికి వందనం**  
ఎంత మంది పిల్లలున్నా వారి చదువుకి ఒక్కొక్కరికి ఏడాదికి, రూ.15,000, అంటే చదువుతున్న 83 లక్షల విద్యార్థులకు ఏడాదికి, **₹12,450 కోట్లు**

**బాబు షూటింగ్ సంక్షేమం అభివృద్ధి బిబివృత్తుకు గ్యారెంటీ**

**సానిక బస్సుల్లో మహిళలందరికీ ఉచిత ప్రయాణం, అంటే ఏడాదికి, వ్యయం **₹2,500కోట్లు****

**అన్నదాత**  
ప్రతి రైతుకి ఏడాదికి ₹20,000 ఆర్థిక సహాయం, అంటే ఏడాదికి, 53.52 లక్షల రైతులకు **₹10,706 కోట్లు**

**యువ శిక్షణ**

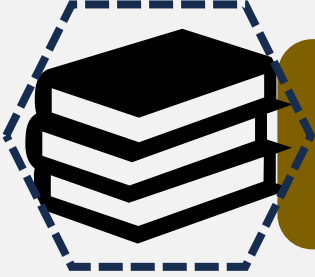
**యువగళం**  
20 లక్షల మంది యువతకు ఉపాధి. నిరుద్యోగులకు యువగళం నిధి నుంచి నెలకు రూ.3,000 నిరుద్యోగ భృతి, అంటే ఏడాదికి, వ్యయం **₹7,200కోట్లు**



# మరి టీటీ సంగతి ఏంటి? ఇవన్నీ కూడా ఇవ్వాల్సి కదా !!!



Fees Reimbursement  
9 lakhs students  
2,800 Cr per annum



Vasati Deevana  
9 lakhs students  
2,200 Cr per annum



Arogyasree + Arogya  
aasara + 104,108  
4,400 Cr per annum



గోరుముద్ద + Mid day meal  
1,900 Cr per annum

Total  
financial  
implication  
52,700 Cr



Sampoorna Poshana for pregnant  
and lactating women  
2,200 Cr per annum



Free rice to 1.48 Cr cards  
4,600 Cr per annum



Pension for 66.34 lakh  
persons  
23,600 Cr per annum



Free electricity to 18.58 lakh  
connections  
11,000 Cr per annum





## Total expenditure

14 b

Total financial implication of  
only

*'బాబు మ్యూజిటీ,*

*భవిష్యత్తుకు గ్యారంటీ'*

73,440 Cr

Mandatory schemes to  
be continued

52,700 Cr

**Total**  
**1,26,140 CR**



# Historical Revenue Deficits

Financial year	Revenue Deficit (-) / Revenue Surplus (+) (Cr.)	Financial year	Revenue Deficit (-) / Revenue Surplus (+) (Cr.)
1995-99	Revenue deficit only (Source: 11 <sup>th</sup> FC Report)		
1999-00	-1,233.30	2009-10	1,230.00
2000-01	-3,595.10	2010-11	2,462.00
2001-02	-2,881.30	2011-12	3,138.00
2002-03	-3,054.00	2012-13	1,128.00
2003-04	-2,904.50	2013-14	344.00
2004-05	-2,558.00	2014-15	-13,776.00
2005-06	-64.00	2015-16	-7,302.00
2006-07	2,807.00	2016-17	-17,231.00
2007-08	159.00	2017-18	-16,151.00
2008-09	1,004.00	2018-19	-13,899.00

*Note – Chandrababu Naidu frequently claims that he is a visionary leader capable of implementing economic policies that enhance Government revenues. The facts convey a very different picture. During the 5 year period 1999-2004 the State Government, during the TDP regime was borrowing money to meet revenue expenditure and there was a complete turnaround during the next 10 year period and again during the TDP regime 2014-19 there were borrowings to meet revenue expenditure. This was despite the fact that the TDP Government has never implemented any welfare programmes with sincerity.*

## Lesser GSDP share of GDP during TDP Regime

AP's Contribution to GDP				
Financial year	GDP	GSDP	AP's Share of GDP	Average
2014-15	1,24,67,959	5,24,976	4.21%	4.47%
2015-16	1,37,71,874	6,04,229	4.39%	
2016-17	1,53,91,669	6,84,416	4.45%	
2017-18	1,70,90,042	7,86,135	4.60%	
2018-19	1,88,99,668	8,73,721	4.62%	
2019-20	2,01,03,593	9,25,839	4.61%	4.82%
2020-21	1,98,29,927	9,77,815	4.93%	
2021-22 SRE	2,34,71,012	11,48,471	4.89%	
2022-23 FRE	2,72,40,712	13,03,524	4.79%	
2023-24 AE	2,96,57,745	14,39,674	4.85%	

*Note – Further, if Chandrababu Naidu is indeed such a visionary as what he frequently claims then during this tenure, the State’s contribution to National income should have been extremely high and if his claims that the State is in misery owing to the policies of the present Government are true, the State’s contribution to the National income should have been disproportionately low during the tenure of the present Government. However, such is not the case. Owing to the pro-poor policies and inclusive policies of the present Government the State’s performance has improved during the period of the present Government.*