



HIGHLIGHTS

Own Tax Revenue in 2016-17 (RE)

49,282 Cr.

PUBLIC FINANCE

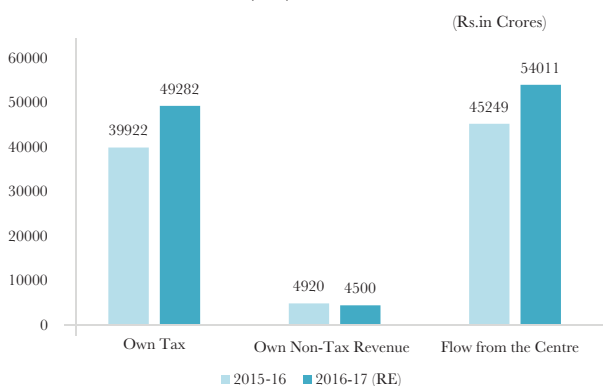
Introduction

The economy of the State of Andhra Pradesh is growing at an unprecedented impressive rate and is amongst the top performers of the Country despite all the difficulties and unfavorable conditions, the State suffered as result of bifurcation. The Government through its visionary leadership and efficient management by its executives has been striving continually with a focused vision of transforming the state into Swarna Andhra - which will be attained through inclusive, equitable and sustainable development.

The State's Revenue

The revenue for the state in Financial Year 2015-16 stood at Rs.39,922 Crores from Own Tax sources, Rs.4,920 Cr. from Own Non Tax sources and Rs.45,249 Cr. of Central Transfer. The details of the State's Own Tax Revenue, Own Non Tax Revenues and Resource flow from the Centre for the Financial Year 2016-17 (RE) with the Financial Year 2015-16 is given in Chart 3.1. The details of the same are given as Annexures 3.1, 3.2 and 3.3 respectively.

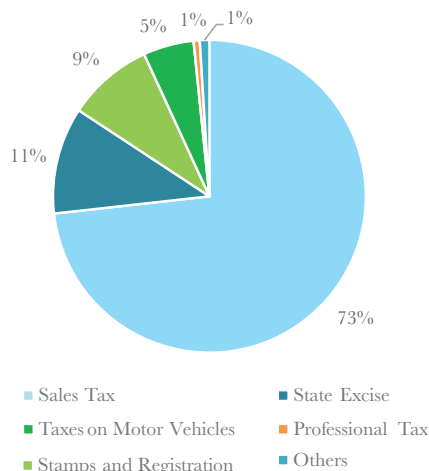
Chart 3.1 State's Revenues for Financial Year 2015-16 to Financial Year 2016-17 (RE)



State's Own Tax Revenue

The total Own Tax Revenue was Rs.39,922 Crores in Financial Year 2015-16 and Rs.49,282 Crores in Financial Year 2016-17 (RE). The composition of individual components of Own Tax Revenue for Financial Year 2016-17 (RE) is shown as Chart 3.2. It is to note that Sales Tax accounted for 73 percent of the State's Own Tax Revenue for Financial Year 2016-17 RE. The State's own tax revenue for the Financial Year 2014-15 (2nd June 2014 – Mar 2015) to Financial Year 2016-17 (RE) have been detailed in Annexure 3.1.

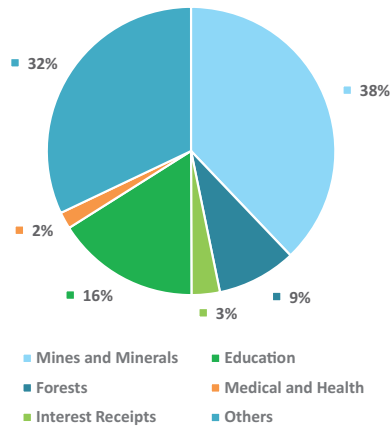
Chart 3.2 Composition of State's Own Tax Revenue – Financial Year 2016-17 (RE)



State's Own Non Tax Revenue

State's Own Non Tax Revenue was Rs.4,920 Crores in the Financial Year 2015-16 and was Rs.4,500 Crores in Financial Year 2016-17 (RE). The main contribution towards the State's Own Non Tax Revenue included the Mines and Mineral, Forests, Education and Other revenue sources. The composition of these revenue sources are given in Chart 3.3. Mines and Minerals, Forests and Education sector contributed 25%, 20% and 21% respectively towards the State's Own Non Tax Revenue in the FY 2015-16. The details of the same for the FY 2014-15 (2nd June 2014 – Mar 2015) to FY 2016-17 (RE) are given in Annexure 3.2.

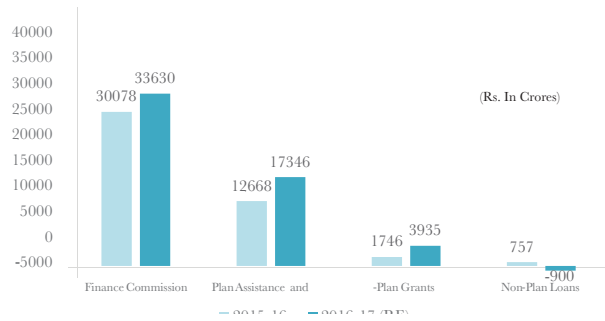
Chart 3.3 Composition of State's Own Non Tax Revenue – Financial Year 2016-17 (RE)



Central Transfers

Resource flow from the Centre was Rs.45,249 Crores in the Financial Year 2015-16 and was Rs.54,011 Crores in Financial Year 2016-17 (RE). Finance Commission allocation constituted a major portion of this Central Transfers, which was Rs.30,078 Crores in the Financial Year 2015-16 and Rs.33,630 Crores in Financial Year 2016-17 (RE). The central transfers for the Financial Year 2015-16 and Financial Year 2016-17 (RE) are elaborated in Chart 3.4. The details of the same for the FY 2014-15 (2nd June 2014 – Mar 2015) to Financial Year 2016-17 (RE) are given in Annexure 3.3.

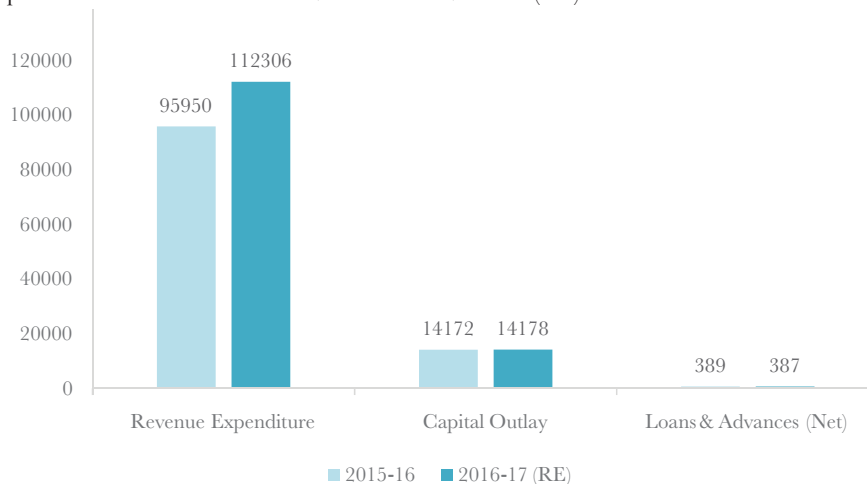
Chart 3.4 Central Transfers for Financial Year 2015-16 and Financial Year 2016-17 (RE)



The State's Expenditure

The Total Expenditure by the State excluding ways and means advance was Rs.1,10,510 Crores in the Financial Year 2015-16 and was Rs.1,26,871 Crores in Financial Year 2016-17 (RE). The revenue expenditure was Rs.95,950 Crores in the Financial Year 2015-16 and was Rs.1,12,306 Crores in Financial Year 2016-17 (RE). It is important to mention that in its strive to build a developed Andhra Pradesh, the state spent Rs.14,172 Crores on its Capital Outlay in Financial Year 2015-16. This was mainly spent on capital works like irrigation, roads and infrastructure. Revenue expenditure through welfare schemes like subsidy rice, power subsidy, pavala vaddi, old age pensions, housing programs etc. The state expenditures for the two financial years are compared in Chart 3.5. The details of the same are given in Annexure 3.4.

Chart 3.5 State Expenditure for Financial Years 2015-16 and 2016-17 (RE)



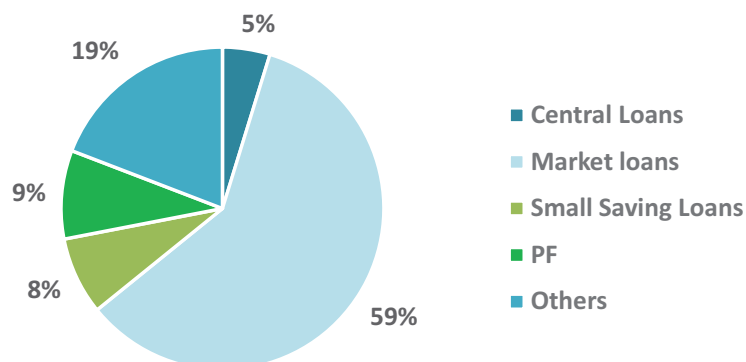
PUBLIC FINANCE

Debts and Interest payments

The Total Debt by the State was Rs.1,73,854 Crores at the end of the Financial Year 2015-16 and was Rs.1,92,984 Cr. at the end of Financial Year 2016-17(RE). The outstanding debt includes the un-apportioned amount of Rs.33,478 crores between two States of Andhra Pradesh and Telangana. The composition of debt sources like Market Loans, Central Loans, Small Saving Loans, PF and other sources. The Market borrowing outstood at Rs.94,926 Cr. in the Financial Year 2015-16 and at Rs.1,14,658 Crores in FY 2016-17 (RE). The state paid Rs.12,208 Cr.

as interest towards its debts in the Financial Year 2016-17 (RE) wherein it had paid Rs.9,848 Crores towards interest payments in the Financial Year 2015-16. The Debt outstanding as percentage of GSDP was 28.50 percent in Financial Year 2015-16 which came down to 27.60% in Financial Year 2016-17 (RE). This is because of the greater GSDP growth in the state during this period. Chart 3.6 shows the composition of outstanding debt in the state for the FY 2016-17 (RE). The details of the same are given in Annexure 3.5 and Annexure 3.6.

Chart 3.6 Composition of State's Debts – FY 2016-17 (RE)



Revenue and Fiscal Deficits

In the Financial Year 2015-16, Andhra Pradesh faced a Revenue Deficit of Rs.7,302 Crores and a Fiscal Deficit of Rs.21,863 Cr. Due to focused and planned management of

the state's finances, these deficit numbers could be brought down to Rs.4,598 crores and Rs.19,163 crores for the Revenue deficits and Fiscal deficits respectively for the FY 2016-17 (RE). The details are given in Annexure 3.6.