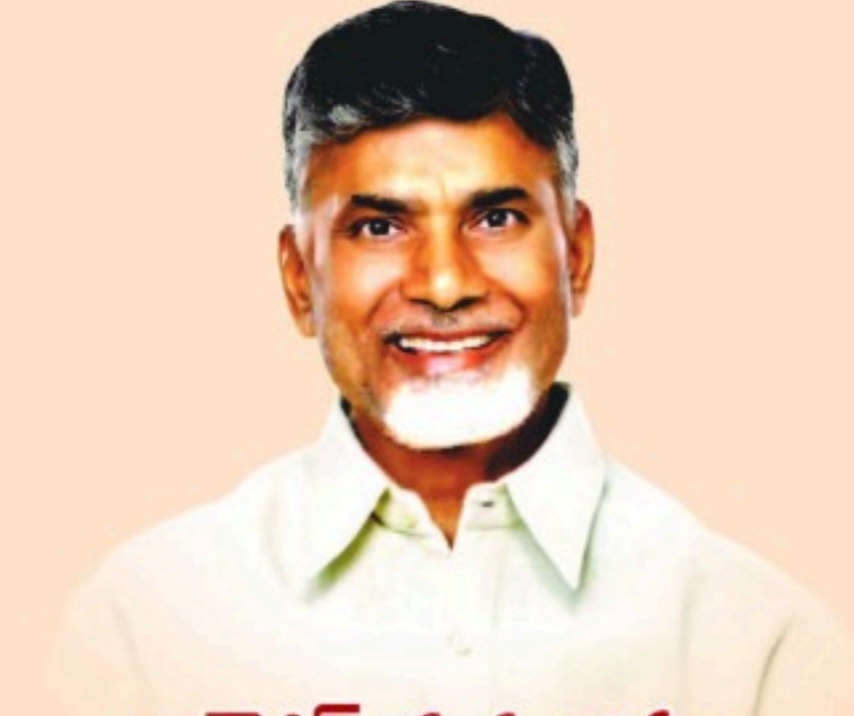


ఆంధ్రప్రదేశ్ ప్రభుత్వం
GOVERNMENT OF ANDHRA PRADESH



బడ్జెట్ ప్రసంగం
BUDGET SPEECH
2024-25

పయ్యావుల కేశవ్

ఆర్థిక, ప్రణాళిక, వాణిజ్య పన్నులు,
మరియు శాసన సభ వ్యవహారాల శాఖామాత్యులు

Payyavula Keshav

Minister for Finance, Planning,
Commercial Taxes and Legislative Affairs
Government of Andhra Pradesh



**Speech of
Sri Payyavula Keshav
Minister for Finance
November 11, 2024**

Hon'ble Speaker,

I rise to place before this august House the budget estimates for the financial year 2024-25.

2. The significance of the budget proposals I am presenting today goes beyond the numbers. It is a reflection of the will of the people of Andhra Pradesh who have given us an unprecedented mandate to save Andhra Pradesh. Immediately after forming the government, it was our moral duty to understand and inform the people about the true extent of damage done to the State by the misgovernance of the previous regime. This was done through the seven white papers brought out by our government. The purpose was to encourage public discussion and debate on issues essential for collective understanding and garnering support in the State's recovery process. The challenging times faced today by Andhra Pradesh are a result of:

- mismanagement of state finances;
- diversion of state resources;
- erosion of state revenues by looting of natural resources and flawed policies in excise and sand mining;
- discounting 25 years of future income by diverting the taxes of the government;
- exorbitant debt level and borrowing at high interest rates;
- borrowings in violation of Government of India guidelines;
- diversion of Centrally Sponsored Scheme funds;
- holding up payments for important schemes like chikki for children, medical supplies;

- diversion of local body funds;
- piling up of outstanding dues to government employees;
- unpaid works liabilities;
- collapse of irrigation sector by stalling all projects;
- destruction of energy sector;
- incorporation of a new NBFC and collection corporations' funds.

Such was the financial mess that for the first time in the country, the Comptroller and Auditor General remarked negatively on State finances. The State economy is on the brink of collapse. It is in the hands of this generation now to restart and rebuild Andhra Pradesh. The driving force for us is the inspiration of Hon'ble Chief Minister Sri Nara Chandrababu Naidu garu, who says,

“Turn every crisis into an opportunity with dedication, innovation, commitment and hard work”

It is in this time of crisis that the State budget is being presented.

3. In the recently held general and state assembly elections, the people of Andhra Pradesh gave an unprecedented mandate to our coalition government. We received an extraordinary 57 per cent vote share and 164 out of 175 seats, which is an overwhelming majority with an extraordinary strike rate of 93 per cent. This is a strong statement made by the people against the misrule of the previous regime. At the same time, the awe-inspiring majority given to our NDA government shows belief of the people in the proven leadership of Sri Nara Chandrababu Naidu garu, the Hon'ble Chief Minister, Sri Pavan Kalyan garu, Hon'ble Deputy Chief Minister and the complete support of Sri Narendra Modi garu, Hon'ble Prime Minister of India.

4. The people of Andhra Pradesh have reposed their faith in Hon'ble Chief Minister Sri Nara Chandrababu Naidu garu because of his stellar track record, which is a testament to his leadership, vision and dedication to public service. He has always worked for the development of Andhra Pradesh. He is noted for his

strong work ethic, focus on technology, modernization, and his vision for a tech-driven future. Our Hon'ble Chief Minister in 1995 itself, while delivering his maiden budget speech as Finance Minister, had stated, "No enduring results can be obtained unless we complement development programs with efficient delivery systems. It is our vision to introduce computers in a big way as an important tool in administration. It shall be our endeavor to reorient our administrative apparatus so as to exploit the advantages and opportunities of the information technology revolution taking place world over."

5. His track record speaks for itself. His first tenure as Chief Minister from 1995 to 1999 was marked by significant economic reforms, infrastructure development, and development of IT industry. Under his progressive leadership, combined Andhra Pradesh had set a fine development model for the nation. He played a key role in transforming the combined State of Andhra Pradesh from an agriculture-based state to a pulsating centre for information technology and services industry. Many of his policies and governance initiatives went on to shape national policies. It was said, 'what AP thinks today, the nation thinks tomorrow.' He was instrumental in putting Hyderabad on the global map by laying the foundation of now-flourishing Hyderabad. His policies on engineering colleges and IT opened up the world to the people of Andhra Pradesh. Such has been the beneficial impact of his policies, that even humble people from rural Andhra have been able to scale heights of success globally. The Telugu diaspora today has emerged as a high performing community with the highest per capita income in the USA and many other countries.

6. In June 2014, the united Andhra Pradesh was bifurcated in an unfair, unjust, unscientific and undemocratic manner leading to a crisis ridden, financially unviable residual state, without a permanent capital. The bifurcation of the State was forced on the people of Andhra Pradesh. Again, it was our leader, Hon'ble Chief Minister Sri Nara Chandrababu Naidu garu, who took the responsibility on his shoulders to rebuild Andhra Pradesh and chart its journey towards a prosperous state. His transformative leadership, combined with macro level planning and micro level

execution, helped the residual State overcome the impact of bifurcation and put it on the path of development.

7. During 2014-19, a multi-pronged strategy was charted out across agriculture, industries, services, irrigation, roads and buildings, employment generation, etc. The State had attracted major industries like Kia Motors, Hero Motors, Asian Paints, etc. The Pattiseema Lift Irrigation Project became the first river linking project in the country to be completed in a record time of just one year. Andhra Pradesh secured the 1st rank in Ease of Doing Business Ranking and topped the charts in four out of five years. By bringing reforms in energy sector and promoting renewable energy, the State became energy surplus by January 2018. As a result of multi-pronged strategy, Andhra Pradesh was set on the path of sustainable economic growth balanced with welfare.

8. What followed after 2019, would be known as the dark phase in the history of Andhra Pradesh. The economic development generated between 2014-19 was squandered away. The previous regime started its term in 2019 on a very destructive note. It demolished the Praja Vedika; cancelled the Power Purchase Agreements; confused the people with disastrous three capitals model; followed anti-industrial policy; eroded investors' confidence and brand value of AP; completely ignored the irrigation sector; stalled the Polavaram project by changing the executing agency against the opinion of Government of India, leading to the damage to diaphragm wall and causing delay in the project and its benefits. Established industries which were paying taxes, providing employment and contributing to the growth of the State, were chased away. These actions deterred the investors and global financial institutions from making firm investment commitments, resulting in economic breakdown of the State.

I recall the words of Kautilya,

“The root of wealth is economic activity and lack of it brings material distress. In the absence of fruitful economic activity, both current prosperity and future growth are in danger of destruction.”

9. Wealth creation in an economy happens when there is circulation of money. For that to happen, implementation of projects is essential. But all productive capital expenditure was stopped by the previous regime. From one of the fastest growing states in the country between 2014-19, Andhra Pradesh economy was brought down to a struggling position between 2019-24. There was devastation and diversion of state resources coupled with poor governance. The funds of Centrally Sponsored Schemes were diverted and the matching State share was also not released. Furthermore, there was diversion of funds of corporations; mismanagement of state finances leading to exorbitant debt; mortgage of government properties; diversion of local body funds; piling of litigation against government for bill payments resulted in trust deficit and loss of confidence in government. By the time the previous regime was voted out, the State economy was on the brink of collapse. As brought out in the white paper, there were unpaid liabilities of Rs. 1,35,224 crore including Rs. 21,980 crore dues to employees, Rs. 4,657 crore dues to Centrally Sponsored Schemes, etc. All these are the glaring instances of misgovernance and failures of the previous regime.

10. The grim state of affairs between 2019-24 induces a question as to whether the State was run on sound financial principles, or was it run like a profit seeking private enterprise for personal gains? The previous regime was driven only by the concept of private profit. There was looting of natural resources for private profit, causing loss of revenue to the State exchequer by unauthorised mining of natural minerals, followed by deliberately designed sand policy and excise policy for personal gains. While the state finances were declining, the public suffering was rising due to higher taxes and misgovernance. This was compounded by silencing of democratic voices and damaging democratic institutions. This resulted in regime revenge.

11. We have to thank the people of Andhra Pradesh who brewed a silent revolution, taking a wise democratic decision against the misgovernance of the previous regime, and have once again changed the course of State history for the better. In 2024, their wisdom has ensured the return of the NDA and Sri. Nara

Chandrababu Naidu garu with renewed vigour and determination. The year 2024, is a stepping stone for embarking upon the Swarna Andhra Pradesh vision.

12. In spite of the challenges, our government is working towards delivering on its promises under the leadership of Hon'ble Chief Minister and continued handholding of Government of India. The budget proposals I am presenting today, have been prepared against the financial background of the State with an intention to restart the development cycle by focussing on economic revival, leading to wealth creation. Before presenting the Department allocations, I would like to recall the words of late Sri N.T.Rama Rao garu, which are a guiding light for our government.

“Samaajame devalyam, prajale devullu”

which means,

“Society is a temple, people are God.”

Agriculture and Allied Sectors

I recall the thoughts of Sri Kandukuri Veeresalingam, considered as the father of the Telugu Renaissance movement. He said,

*“Vyavasayam cheyu chetulaku manam saayam cheyyali;
desa saubhagyanki adiyem margam.”*

Which means,

*“We must extend support to the hands that till the land;
that is the path to national prosperity.”*

For our government, development of agriculture sector and welfare of farmers is of utmost priority. My colleague will emphasise on various measures for agriculture development while presenting the Agriculture Budget 2024-25.

13. As part of the Super Six promises, our government has announced to investment support to the eligible farmers through **Annadatha Sukhibhava-PMKISAN** scheme. Our government is also implementing schemes like Polam

Pilusthondi, Vaddi Leni Runalu, distribution of Soil Health Cards, supplying farm implements, soil testing labs, Polambadi for the comprehensive support to farmers. The crop insurance benefits are being modified from Rabi 2024-25 by adopting a voluntary enrolment model, giving farmers the freedom and flexibility to participate in the scheme based on their individual needs.

14. Livestock sector plays a crucial role in enhancing the Gross Value Added of rural economy. Andhra Pradesh has the second highest livestock and poultry resources in the country. We stand 1st in egg production, 4th in meat production and 5th in milk production. The government aims to boost livestock growth, care, and protection by providing shelter, fodder and medical assistance under various schemes. The government is determined to increase the income of the Yadavas, Kurabas & Kurumas and other communities who earn livelihood from livestock. The government is also protecting the livelihood of these communities by implementing the Livestock Insurance Scheme.

15. The previous regime issued orders which barred the traditional fishermen from using fishing ponds on lease. They depended on fishing ponds for decades for their livelihood. Our government has revoked the order to protect the interests of fishermen. Our government is also providing diesel at subsidised rates covering about 23,000 fishing boats.

16. Cooperative sector has the potential to play a vital role in promoting Agriculture & allied sectors and development of rural areas. The Primary Agricultural Credit Societies are being strengthened through computerization enhancing the financial inclusion of farmers. I propose to allocate an amount of Rs. 11,855 crore for Agriculture & Allied sectors for 2024-25.

Welfare

Our Hon'ble Chief Minister says,

*“People always want welfare, development, and good governance.
As long as you are delivering, people are with you.”*

17. This belief of balancing welfare and development is evident right from his maiden budget speech as Finance Minister of the combined State of Andhra Pradesh three decades ago in 1995. He said, “The main ambition of our government is eradication of poverty and welfare of the marginalised. Our government is completely dedicated to the welfare of the poor. This does not mean that the State will lag in all round development. We will strive that no development program should be handicapped due to shortage of funds.”

18. Our government is committed to the development of all social groups through implementation of various schemes for educational advancement; socio-economic development; welfare and protection of rights. Our government is devising schemes prioritising welfare and aligning with Swarna Andhra@2047 and other promises made in the manifesto. Our government has enhanced the social security pension from Rs. 3,000 to Rs. 4,000 per month immediately after assuming office as promised in the manifesto. The NTR Bharosa Pension Scheme is benefitting 64.38 lakh pensioners with pensions ranging from Rs. 4,000 to Rs. 15,000 per month. In the very first month of our government, Rs. 4,400 crore was released towards NTR Bharosa, and a total of Rs. 15,218 crore have been released since June 2024. Going forward, our government will release Post Matric Scholarships (RTF) directly to college accounts to avoid difficulty to students for getting certificates from colleges. Efforts are also being made for phased release of the pending fee reimbursements left by the previous regime. The schemes of our government will benefit Mala, Mala Dasari, Mediga, Relli, Arundhateeya, and other SC communities.

19. It is proposed to provide financial assistance to traditional occupational groups like Rajakas, Dudekula, Nayee Brahmanas to enhance their livelihood through modern occupational techniques. The traditionally skilled weaver community will also be provided financial assistance to enable them to upgrade their skill sets. The various schemes of our government will benefit the marginalised communities such as Vaddera, Valmiki, Gauda, Kalinga, Gavara, Padmasali, Besta, Sagara Uppara, and other backward communities.

20. Our government is fully committed to ensuring empowerment of Scheduled Tribe families. For welfare of tribal communities, important schemes like Post matric scholarships - RTF and MTF, Ambedkar Overseas Vidya Nidhi, etc. are being implemented. Special focus will be provided towards bridging the infrastructure gaps in tribal areas as well as quality education, nutritional support, healthcare and economic development of tribal communities.

21. Our government shall ensure that the minority communities get equitable share in economic activities and employment through different schemes. Support for overseas education, incentives to Imams and Mouzams, Pastors is also proposed.

22. I propose an allocation of **Rs.18,497 crore for SC component, Rs.7,557 crore for ST component, Rs.39,007 crore for BC component, Rs.4,376 crore for welfare of minorities component.**

Women Development and Child Welfare

Dr. B. R. Ambedkar, while emphasising the importance of women empowerment, said:

*“I measure the progress of a community
by the degree of progress which women have achieved”*

23. Hon’ble Chief Minister has been a staunch believer of this thought. Under his leadership in 1990s, Andhra Pradesh became the pioneer of the Self-Help Group movement in the country. He championed the idea that thrift leads to entrepreneurship among women, resulting not only in self-employment, but also empowerment. With the support of government, the SHG movement in Andhra Pradesh got the scale and activity expansion which became a role model for adoption across the country. Today, there are more 10 lakh SHGs in Andhra Pradesh.

24. Our government is taking various innovative steps to improve the nutritional status of pregnant women, lactating mothers and children below 6 years of age. ICDS services are being rendered through 55,607 Anganwadi Centres in 26 districts. The Bala Sanjeevani Supplementary Nutrition Program is being implemented to

address malnutrition and anaemia. All commodities are being provided as take-home ration.

25. To fulfil a Super Six promise, our government has launched the Deepam 2 scheme to provide 3 LPG cylinders a year free of cost. An amount of Rs. 895 crore has been released for the 1st LPG cylinder in 2024-25. More than 5 lakh beneficiaries have already received the subsidy amount. Another promise will be implemented in due course to introduce free travel for women in public transport buses. This initiative is aimed at increasing the participation of women in workforce.

26. I propose an allocation of Rs. 4,285 crore for Women, Children, Differently Abled and Senior Citizens Welfare Department.

Human Resource Development

Skill Development

Chinese philosopher Lao Tzu once said,

*“Give a man a fish and you feed him for a day.
Teach him how to fish and you feed him for a lifetime”*

27. During 2014-19 itself, Hon’ble Chief Minister Sri Nara Chandrababu Naidu garu, understanding the importance of skill building, education and long-term solutions, pioneered various skill development initiatives. Today, Hon’ble Minister for Human Resource Development, Sri Nara Lokesh garu, is spearheading the novel concept of Skill Census. For the first time globally, a government is undertaking a Skill Census of the State. This would help to understand the skills and competencies of our workforce, as well as identify the skills sets required by industries. It would help the State to design programs to provide matching skills sets to enhance employability of the people, leading to 20 lakh employment opportunities.

28. At the same time, our government is strengthening the skills infrastructure through 192 Skill Hubs, Skill Colleges, and Skills University. Skill International is the latest initiative to tap the overseas placement opportunities in priority sectors. I propose to allocate an amount of Rs. 1,215 crore for Department of Skill Development and Training for the year 2024-25.

School Education

29. Our government is fulfilling a Super Six promise by providing financial assistance through Thalliki Vandanam to mothers for their children studying from Class I to Class XII in government and private schools. This scheme aims to ensure that no child has to leave education due to poverty. It will help to drastically reduce the school drop-out rates.

30. Our government is carrying out comprehensive reforms to improve school infrastructure and learning outcomes of students. One of the very first decisions taken by our government was to announce the Mega DSC recruitment to fill 16,347 vacant teacher posts for providing opportunity to our youth and infuse fresh energy of young teachers in the education system. Our government has renamed important schemes after renowned educationist Sarvepalli Radhakrishnan and social activist Dokka Seethamma. The App burden on teachers is being reduced by removing unnecessary apps so as to allow teachers to focus more on teaching. Free textbooks and backpacks are being provided to intermediate students. I propose an allocation of Rs. 29,909 crore for School Education Department for 2024-25.

Higher Education

31. As part of Swarna Andhra@2047 vision, our government is taking initiatives to strengthen all State universities, fill up vacant posts, enabling them to become top ranking universities in the National Institutional Ranking Framework. Our government is aiming to establish at least three knowledge cities at Amaravati, Tirupati, and Visakhapatnam.

32. Recognizing that quality education requires highly skilled educators, Faculty Development Programs are being proposed to train 18,000 faculty members over the next three years. The government has signed MoUs with esteemed organizations like NASSCOM Future Skills, EduSkills, Salesforce, Microsoft, etc. to facilitate internships for more than 2.5 lakh students starting from December 2024. To make students work-ready, the government has introduced Apprenticeship Embedded Degree Programs, which integrate paid apprenticeships with earning between

Rs.5,000 and Rs.15,000 across various industries such as IT & ITES, Banking, Financial Services & Insurance, Logistics, Retail, Healthcare, etc. I propose an allocation of Rs.2,326 crore for the Department of Higher Education for 2024-25.

Healthcare

33. Top most priority of our government is to ensure affordable, accessible, quality and timely healthcare services to citizens. With the aim of 'Health for All', our government is undertaking comprehensive reforms in the health sector. In view of the increasing incidence of cardiovascular diseases, it is planned to start STEMI Program by providing necessary equipment and manpower training. A comprehensive cancer screening program has been started across the State for identification of cases and referral to medical colleges. Under School Health Program, Anganwadi children and school students up to 18 years would be screened for 4Ds – defects at birth, deficiency diseases and developmental delays including disabilities. The infrastructure in all medical facilities from PHCs to General Hospitals in the State will be improved.

34. Flagship programs like Dr.NTR Vaidya Seva Trust; reviving the 108 and 104 Services, and Family Welfare Programmes under National Health Mission will be implemented comprehensively. The maternal and child health, which are better than national average, will be improved further by ensuring the wellbeing of mothers and children. I propose to allocate an amount of Rs.18,421 crore for Department of Health, Medical & Family Welfare for 2024-25.

Panchayat Raj and Rural Development

Mahatma Gandhi said,

“The soul of India lives in its villages”

35. Under the able leadership of Hon'ble Deputy Chief Minister Sri Pavan Kalyan garu, our government has taken up initiatives to bring back the past glory of the Panchayat Raj System by promoting local self-governance in true spirit. Special Gram Sabhas were conducted on a single day on 23rd August in all 13,326 Gram

Panchayats for approval of MGNREGS Action Plan through active involvement of all the GPs in the planning process, which is a world record. Implementation of the action plan has begun with laying of cement roads in all villages. Our government has restored the pride of Sarpanchas by increasing the amount for celebration of Independence Day and Republic Day from Rs.100 to Rs.10,000 for Minor Panchayats, and from Rs.250 to Rs.25,000 for Major Panchayats. The government has adopted a vision plan for Development of Panchayats under “Swarna Panchayats” program. The government has released Rs.998 crore of 15th Finance Commission funds in August 2024 which was due to PRIs from March 2024.

36. Our government is implementing various convergence initiatives under MGNREGS with 16-line departments for ensuring sustainable livelihoods for the rural poor and creating durable assets in rural areas. In 2024-25 so far, over 1.2 million households have completed 100 days of wage employment. Projects like horticulture, farm ponds, livestock shelters, as well as natural resource management projects, including rooftop water harvesting, percolation tanks, and check dams have been taken up.

37. Our government is committed to enable every poor family in rural areas to come out of poverty and stay out of poverty. Our government is actively supporting the livelihoods of SHG members by aligning with various Government of India subsidy schemes, such as PM Employment Generation Program, PM Formalisation of Micro Food Enterprises, PMSVANidhi, and PM Vishwakarma. This convergence aims to increase the income levels and boost informal employment opportunities for SHG members. Additionally, by promoting Open Network Digital Commerce ONDC, our government is enabling SHG women to expand their businesses, helping them access broader markets and improve their sales potential. This strategic approach combines financial assistance, skill development, and digital outreach to foster sustainable income growth for SHG members.

38. The Andhra Pradesh Rural Roads Connectivity Project has completed 1574 works, connecting 2134 habitations with 2855 km of roads. Additionally, 164 road and bridge projects are underway. For 2024-25, I propose an allocation of Rs.16,739 crore for the Department of Panchayat Raj and Rural Development.

Urban Development

39. During the previous regime, the urban areas were grossly neglected. Municipalities across the State faced problems of poor sanitation, lack of waste management leading to accumulation of tonnes of silt and waste. Our government is committed towards planned sustainable urban development. Major cities of Visakhapatnam, Kakinada, Vijayawada, Guntur, Tirupati, Kurnool and others will be developed. Preparation of GIS based master plans for Class II towns with population of 50,000 to 99,999 has been initiated. Under AMRUT 2.0, universal coverage of safe water supply has been planned along with rejuvenation of water bodies, re-use of treated water and rainwater harvesting. It is planned to achieve service level benchmarks for urban infrastructure and essential services in all urban areas.

40. After being abandoned for five years, the dream capital city of Amaravati is taking shape. Amaravati has been envisioned to have the world's best infrastructure and a global destination of people, investments and jobs. The planning principles of Amaravati have ensured to make it the most liveable, efficient, sustainable blue and green city. Our government has secured funding of Rs.15,000 crore from the multilateral funding agencies through Government of India for developing the truck infrastructure in the capital city.

41. To provide food at affordable price to the needy people residing in urban areas, the government has established 204 Anna Canteens in all 123 urban local bodies. It is planned to establish 158 Anna Canteens in rural areas as well. I propose to allocate an amount of Rs.11,490 crore to the Department of Municipal Administration & Urban Development for 2024-25.

Housing

42. The government is dedicated to ensure Housing for All by 2029. It is planned to provide 25 lakh houses/ house pattas to the Economically Weaker Sections under PMAY- NTR Nagars. This is viewed not only as a welfare program for EWS, but also as a boost for economic activities in the State. House site pattas will be issued

to those without pucca house and house site. It is proposed to complete 6.9 lakh houses under PMAY (Urban) and 1.79 lakh rural houses under PMAY (Gramin). Additionally, more than 15,000 homes for Vulnerable Tribal Groups under PM (JANMAN) are proposed to be completed. The government is also committed to developing infrastructure within housing layouts through coordinated efforts across departments. I propose to allocate an amount of Rs.4,012 crore to the Housing Department for 2024-25.

Water Resources Management

43. The irrigation sector was grossly neglected by the previous regime. There was no progress in any of the irrigation projects like Vamsadhara Stage-II (Phase-II), Handri Niva Sujala Sravanthi Phase-II, Veligonda Project, Thotapally Barrage, Gajapathinagaram Branch Canal, Chintalapudi LI Scheme, Pulichintala, Gundlakamma Reservoir, Somasila - Swarnamukhi Link Canal. In the case of Polavaram, the abrupt change of executing agency at a critical stage of construction, disregarding the advice of the Polavaram Project Authority, Ministry of Jal Shakti, Government of India led to the collapse of the diaphragm wall, causing delay in the project. The delay has resulted in distress among the people of Andhra, Uttar Andhra, and Rayalaseema who have been anxiously waiting for years to realise the benefits of the project.

44. Our government places highest priority on the irrigation sector and is designing a comprehensive new Water Policy with an aim of taking water to every possible field. Action plans are being prepared to make the State drought proof and ensure water security for drinking, irrigation and industrial needs. The earliest completion of the National Polavaram Irrigation Project is the priority of our government. The government is also committed to completing all ongoing projects, including the Chintalapudi Lift Irrigation Scheme, B.R.R. Vamsadhara Project Phase II of Stage II, Poola Subbaiah Veligonda Project, Handri Niva Sujala Sravanti Project, improving the TBP HLC system, minor irrigation, watershed, and groundwater management. Additionally, the Government intends to undertake the Bhavanasi Tank Conversion project; Mahendratanya Offshore project; interlink

the Godavari-Penna and Nagavali-Vamsadhara rivers to ensure water security across the State. I propose to allocate an amount of Rs.16,705 crore for Water Resources Department for 2024-25.

Industries and Commerce

45. Our government is focused on building a conducive environment for industrial growth. New policies have been devised for various sectors to encourage investments, entrepreneurship and employment generation. Our government has brought out AP Industrial Development Policy 4.0; AP MSME Development Policy 4.0; AP Policy for establishment of Private Industrial Parks with Plug and Play; AP Food Processing Policy 4.0. A competitive incentive structure has been introduced in these policies, which has garnered positive feedback from the industry. The government has re-kindled the interest among investors to make Andhra Pradesh their investment destination of choice. I propose to allocate an amount of Rs.3,127 crore to the Industries & Commerce Department for 2024-25.

Energy

46. The destruction and collapse of the energy sector is a result of the damaging actions of the previous regime, and it started from the dais of swearing-in ceremony of the previous regime itself when cancellation of Power Purchase Agreements was announced. That action removed the first brick from the foundation of energy sector of the State. It collapsed plans of energy sector expansion, causing power shortage and subsequent power purchase at higher cost. Ultimately, due to misdeeds of previous regime, the consumers today are having to pay higher cost for power in the name of true up charges.

47. Our government is committed to undo this damage and provide low cost, quality, 24x7 power supply to consumers. A new comprehensive AP Integrated Clean Energy Policy 2024 has been notified for promoting sustainability, energy transition and clean energy technologies in the State. The new policy paves the way for promotion of renewable energy, Pumped Storage Power, green hydrogen and its derivatives, positioning the State as a preferred destination for investments.

Our government is providing low-cost power supply to Aqua farmers; free power of 200 units per month to every household in SC/ST colonies. Dhobi Ghats, laundries run by BPL Rajaka community, hair cutting saloons of BPL Nayee Brahmin, shops of BPL goldsmiths, BPL Most Backward Caste communities, handloom weavers, etc. are also being provided free or concessional power. I propose to allocate an amount of Rs.8,207 crore to Energy Department for 2024-25.

Transport, Roads and Buildings

48. Gross negligence by the previous regime towards maintenance and repairs of roads has left the State with more potholes than roads, undoing years of infrastructure progress. A State that had a good quality road network by 2019, was struggling with severely pothole ridden roads by 2024. Hon'ble Chief Minister has launched the Mission Pothole-free Andhra to ensure that all roads in the State are free of potholes by Sankranti. Reconstruction efforts are under way. To further strengthen connectivity, the government is integrating the State's road infrastructure with the national grid in alignment with the Gati Shakti program.

49. The Amaravati Outer Ring Road project was stalled by the previous regime. The Central government has given its approval for revival of the 189 km long ORR expressway. The project will link the capital with other parts of the State, boost regional connectivity and economic development in Andhra Pradesh.

50. Works for 687 km of 6-lane National Highway projects are in progress in the State. These include important stretches like Bengaluru-Kadapa-Vijayawada; Raipur-Visakhapatnam; Chitoor- Thatchur; Renigunta- Naidupeta; Vijayawada Western Bypass; Naidupeta- Turpu Kanupur. In addition, works for 165 km are in progress on 4-lane National Highways of Hyderabad-Visakhapatnam and Bengaluru-Chennai Expressway.

51. The government is implementing the Mandal Connectivity and Rural Connectivity Improvement Project and AP Roads and Bridges Reconstruction Project with the financial assistance of New Development Bank. These projects cover 2,522 km of roads to provide double lane connectivity between District

headquarters and Mandal headquarters, as well as between each Mandal headquarter.

52. For improvement of riding surface for Major District Roads, works are being sanctioned to improve the roads for a length of 2,199 km and targeted to be completed by March 2025. The government is also prioritising completion of NABARD funded works for 99 State Highways and 134 Major District Roads; improving connectivity in tribal areas; and repairs to flood damaged roads.

53. Since June 2024, our government has released an amount of Rs.600 crore for the roads sector. I propose to allocate an amount of Rs.9,554 crore to the Department of Transport, Roads and Buildings for 2024-25, including the allocation under State Disaster Mitigation Fund and State Disaster Response Fund.

Youth Advancement, Tourism and Culture

Sports

54. Sportspersons from Andhra Pradesh and bringing pride to the State by excelling at national and international levels. Our government has announced a 3% reservation for sportspersons in government employment, which is the highest in the country. The financial incentives proposed are also highest in the country. Our government will bring a new Sports Policy for 2024-29 with 4 strategic pillars - Sports for All; Nurture Talent; Sports Ecosystem; Global visibility, to strengthen the sporting culture and ecosystem from the grassroots to global level. The Sports Policy shall focus on leveraging sports for economic and social development, and making sports a people's movement for healthy living.

55. In a landmark move, Hon'ble Chief Minister conferred industry status to the tourism sector, enhancing State's ability to attract substantial private investment. Tourism sector of our State has great potential to create jobs. Our government has devised plans to boost tourism sector through promotion of spiritual tourism; developing eco-tourism circuits; beach tourism hubs; wellness tourism centres; and rich heritage sites. I propose to allocate an amount of Rs.322 crore to Youth Advancement, Tourism and Culture Department for 2024-25.

Home

56. In the past five years, gross neglect of the police force severely impacted its morale and operational efficiency. The employees of Home Department were particularly distressed due to insufficient allowances and pending dues. Limited vehicle availability, lack of maintenance for patrol vehicles left the police force under-resourced and strained. This hindered their ability to respond swiftly and effectively to public needs. Sufficient funds were not released for simple things like maintenance of CCTV cameras. Recognizing these critical issues, our government has taken decisive steps to restore and enhance the capabilities of the Home Department, with a focus on modernization and equipping the force for contemporary challenges.

57. Our government has released funds of Rs. 62 crore for the Modernization of Police Force to provide new vehicles, advanced equipment, and infrastructure upgrades. Hon'ble Chief Minister has approved a complete overhaul to bring the pride back to the Home Department. Key initiatives include the establishment of four new IR Battalions in Srikakulam, Chittoor, Prakasam, and Rajahmundry; 300 women helpdesks; and dedicated Cyber Crime Police Stations in each district to tackle cyber threats. Additionally, 13 Fast Track NDPS Courts are being set up across the State to expedite narcotics cases. These measures signify a strong commitment to rebuilding a modernized, responsive, and capable police force, ensuring safety and social stability across the State.

58. The menace of ganja use amongst youth had become widespread during the previous regime. It is a matter of shame that drug seizures in the country during that period had roots in Andhra Pradesh. As part of the wider anti-drug initiatives, our government has set up the Anti-Narcotics Task Force. A comprehensive program has been introduced to increase awareness about ganja and tobacco use among students. Plans are underway to train 3,172 units within higher education institutions to take active roles in anti-drug and anti-tobacco initiatives. I propose to allocate an amount of Rs.8,495 crore to the Home Department for 2024-25.

Environment, Forest, Science and Technology

59. The government envisages to improve green cover to a national benchmark, to create a sustainable living space for the citizens. In this direction, plantations under Vanam Manam, Prakruti Pilusthondi and Mangrove Initiative for Shoreline Habitats & Tangible Incomes are being carried out. This is being done through involvement of all line departments, people from different walks of life and convergence of funds from State and Central schemes. The Nagarvanam scheme is being implemented to develop climate resilient cities by managing and expanding urban lung spaces, for smart, clean and healthy cities. I propose to allocate an amount of Rs.687 crore to the Department of Environment, Forest, Science and Technology for 2024-25.

Accounts 2022-23

60. The finance accounts finalized by the Accountant General of Andhra Pradesh show a revenue deficit of Rs.43,488 crore, and a fiscal deficit of Rs.52,509 crore, which was 3.30 % and 3.98 % of the GSDP respectively, for FY 2022-23.

Revised Estimates 2023-24

61. The revised estimate for revenue expenditure for FY 2023-24 is Rs.2,12,450 crore, whereas for capital expenditure it is Rs.23,330 crore. The revenue deficit for 2023-24 is around Rs.38,682 crore, whereas the fiscal deficit for the same period is around Rs.62,720 crore, which amounts to 2.65 % and 4.30 % of the GSDP respectively.

Budget Estimates 2024-25

62. For the financial year 2024-25, I propose an expenditure of Rs.2,94,427.25 crore, with revenue expenditure estimated at Rs.2,35,916.99 crore, and capital expenditure at Rs.32,712.84 crore. The estimated revenue deficit is around Rs.34,743.38 crore and the fiscal deficit is estimated at around Rs.68,742.65 crore. The fiscal deficit will be around 4.19 % of the GSDP, whereas the revenue deficit will be around 2.12 % of the GSDP.

Conclusion

63. As I mentioned earlier, this budget is a stepping stone to restart and rebuild Andhra Pradesh. Every family dreams of securing for each member health, education, knowledge, skills and wealth. Our government is committed to help every family achieve their dreams. The people of Andhra Pradesh have given us an unprecedented mandate for fulfilling their hopes. They see Andhra Pradesh as a land of promise, and it is our responsibility as government, to keep that promise. Under the leadership of Hon'ble Chief Minister, we are confident to overcome the challenges that face us, and we reaffirm our commitment to realizing people's hopes of living in Swarna Andhra. It is our aim to streamline governance under the theme "Simple Government, Effective Governance". I would like to conclude my speech with the inspiring words of Swami Vivekananda,

"We are responsible for what we are, and whatever we wish ourselves to be, we have the power to make ourselves. If what we are now has been the result of our own past actions, it certainly follows that whatever we wish to be in the future can be produced by our present actions;

So we have to know how to act."

With these words, I now commend the budget to the august House for approval.

Jai Andhra Pradesh

Jai Hind
