

**Speech of
Shri. Yanamala Ramakrishnu
Minister for Finance
8th March, 2018**

Hon'ble Speaker and members,

With a sense of pride and humility, I rise to present the budget proposals for the financial year 2018-19 before this august house.

2. It is my privilege to present my tenth budget and the second consecutive budget from this historical place, Amaravati. Amaravati continues to draw attention from all quarters of the world, thanks to the untiring efforts of our Hon'ble Chief Minister. The strides of growth our state is witnessing in spite of challenges, present a story of strong will, hope and confidence. We continue to dream big and have set the bar high to bring out the best in us. I strongly believe in the inspiring words of our beloved former President Dr. A.P.J. Abdul Kalam and I quote:

“Look at the sky. We are not alone. The whole universe is friendly to us and conspires only to give the best to those who dream and work”

3. Sir, before I go into the details of budget proposals, it is essential to understand the context in which this budget is being presented.

4. Four years are not enough to complete the rebuilding of a state, which was stripped of its basic economic foundations like a capital city and a buoyant service sector due to the irrational bifurcation of the state. This has been further compounded by lack of support from the Central Government. It is time to introspect and realize where we are, what we have achieved so far and what is yet to be done in the short and long term.

5. I am sure all honourable members of the house will agree with me that in spite of many adversities, the efficiency of the government accentuated by the effective leadership has enabled the state to maintain a double digit growth for the last three years averaging 10.96% as against 7.31% of the Indian economy. Taking inspiration from the lines, **“Deshamante mattikadoi, deshamante manushuloi”**, of noted Telugu poet and writer Sri Gurajada Apparao, the hardworking, prudent, educated and enterprising citizens of this great state of Andhra Pradesh deserve a huge applause for their invaluable contribution in the large mission of rebuilding the state.

6. We are at the cross roads of development and deficit, perpetuated by the increasing indifference of the Central Government in extending our entitlements as per the AP Reorganisation Act and the assurances made by the then Hon'ble Prime Minister on the floor of Rajya Sabha. Our government has approached the situation with a clear vision and meticulous execution. We moved from despair to hope, disillusionment to confidence and deprivation to growth. This has been possible due to efficient resource mobilization, effective management of available resources, adoption of a convergence approach in programme implementation, leveraging the technological advantages across the spectrum of governance and instilling a sense of accountability and transparency amongst the various arms of government. Our hard work coupled with inherent advantages provided by the entrepreneurial skills of the people has catapulted us to this position of strong belief in our capabilities and convert every crisis into an opportunity. We could have achieved much better results but for the indifference of the Central Government.

7. We continue our struggle to ensure that all assurances are fulfilled and the State of Andhra Pradesh comes on a level playing field with its neighbouring States. I would like to draw more strength from the thoughts of our Father of the Nation Mahatma Gandhi:

“When you go through hardships and decide not to surrender, that is strength”

8. Our Government is committed to guide the rise of Andhra Pradesh to be one among the top three performing states in the country by 2022, the best state in the country by 2029 and eventually becoming the most preferred global investment destination by 2050. In order to transform this vision into a reality, the Government has instituted a framework for global benchmarking while taking actions at the grass-root level.

9. PEOPLE FIRST is our prime motto. Believing that providing for welfare would bring the needed inclusive and holistic thrust to the development initiatives of the government, I am taking a leap of faith and devoting a significant portion of the budgetary allocation for 2018-19 to various welfare measures. I am hoping that our quest for finding ways for a better and just socio-economic order is fulfilled with this welfare oriented People's budget that intends to establish an equal, vibrant and unified society. Listening to the feedback from households across the State we recognized the specific needs of several communities and groups, the Government is taking necessary steps by designing and implementing various tailored schemes and specific interventions. Initiatives such as:

- fostering sustainable livelihood and implementing welfare programmes for the weaker sections like SCs, STs, BCs and Minorities along with measures for the Kapus (including Telaga/ Balija/ Ontari communities), Brahmins, Vysyas, Christians and other Economically Backward Classes;
- economic support to Weavers, Fishermen, Yadavas, Rajakas, Dudekulas, artisans and traditional craftsmen;
- support for members of Nayee Brahmin, Vaddera, Bhattaraja, Sagara/Uppara, Valmiki/Boya, KrishnaBalija/Poosala, Medara, Vishwabrahmin, Kummari Shalivahana and Toddy Tapper communities enabling them access to gainful livelihoods;
- upliftment of marginalized sub-communities like transgender;
- providing hope and access to measures of transformational change for differently abled;
- measures to better nutrition and hygiene for women, children along with livelihood support for self-help groups;
- reducing out of pocket expenditure on healthcare;
- economic support, skill upgradation and empowerment measures to provide access to gainful livelihood to Youth;
- increased allocations for the welfare of farming community specifically through agriculture and allied sectors like animal husbandry, horticulture, fisheries, and irrigation;
- increased allocation for the welfare of sericulture sector;
- building a futuristic knowledge economy through introduction of virtual and digital class rooms and providing enhanced support to students by increasing scholarship amounts, dietary allowance for better nutrition and cosmetic amounts for better hygiene; as well as specific measures for empowering girl child and improvising and extending the mid-day meal programme; and
- promoting overall well-being through outreach measures and increased allocations for Sports, Culture and Tourism.

Focusing on macro level planning and micro level execution, I strongly believe that these measures will give a fillip to the underlying philosophy of our government, as summed up in the quote of Benjamin Disraeli "Power has one duty - to secure the welfare of the people". We do trust and believe that this will enable a sustainable framework for realising the goals of Sustainable Development, Samaja Vikasam and Kutumba Vikasam, coupled with Real Time Governance, and will lead to the empowerment of all sections of our society towards prosperity and happiness.

10. An important point to be noted is that I am proposing a revenue surplus budget for the year 2018-19 anticipating that Government of

India would release all the dues as per the AP Reorganisation Act, 2014 at least this year. Further, I have optimised revenue expenditure and increased capital expenditure.

11. In the given context, it is a challenging and daunting task to balance the resources with the competing priorities and expectations. Therefore, one would appreciate the importance of the budgetary proposals that I am now going to propose, which would cover various sections of the society.

Welfare

I take inspiration from the words of John Rawls, an American philosopher,

“A just society is a society that if you knew everything about it, you would be willing to enter it in a random place”

12. Enhancing the overall quality of life of all sections of society is the central theme of our government policy. The state approach towards the problems of weaker sections would be not only to accelerate the ameliorative programmes undertaken thus far, but also to take up a package of measures, in terms of providing better connectivity and communication, economic upliftment and better living conditions, quality education and training, skill development and employment generation, nutrition and healthcare, through people’s participation for inclusive growth and effective use of technology.

13. The cause of welfare is not a onetime intervention but a continuous support addressing specific needs at different stages of life. The Government supports this cause across communities through: residential educational institutions; pre and post matric scholarships; study circles to aid preparation for competitive exams; assistance for overseas education; providing land to the landless, houses for the houseless, clothing for the needy, food for the hungry; extending financial support for livelihood enhancement; meeting expenses for social events like marriages; medical, general and life insurance and pensions.

14. The Government has been providing marriage assistance amounts under the Giriputrika Kalyana Padhakam for ST brides & Dulhan scheme for brides from Minorities. It is now proposed to assist the brides of SC and BC communities also through the umbrella scheme, Chandranna Pelli Kaanuka, with an allocation of Rs. 100 crore each.

Backward Classes Welfare

I would like to recall the words of Mahatma Jyotiba Phule, and I quote:

“Without education wisdom was lost; without wisdom morals were lost; without morals development was lost; without development wealth was lost; without wealth the shudras were ruined; so much has happened through lack of education”

15. It has always been our endeavour to improve the educational ecosystem for the students from the backward classes. I have proposed Rs. 2,165 crore in 2018-19, as against Rs. 1,732 crore, an increase of 25%, for Pre and post matric scholarships, reimbursement of tuition fees (RTF), NTR Vidhyonnathi, NTR Videsi Vidyaadarana, hostels, residential schools and colleges and BC study circles assisting about 16 lakh students. Similarly, for assisting the students from the Kapu community an allocation of Rs. 400 crore is proposed. For the Economically Backward Classes an amount of Rs. 700 crore is proposed towards RTF.

16. It is proposed to implement 'Adarana' scheme for providing financial assistance to the artisans belonging to BCs for acquiring modern handset tools and gadgets for sustained income generation and economic development. The Scheme will be implemented throughout the State covering 2,55,000 beneficiaries with a proposed outlay of Rs. 750 crore.

17. I propose to enhance the budget allocation for welfare of the backward classes including the Most Backward Classes from Rs. 3,316 crore to Rs. 4,477 crore, an increase of 35%. I also propose to provide Rs. 30 crore for welfare of Vysyas, Rs.1000 crore for welfare of Kapus.

18. The weaver community is skilled traditionally, but is facing stiff competition from modern technology. Our Government is seized of the challenges faced by them and is committed to their welfare. The Government intends to procure all the material produced by them and supplying to the poor and needy, at 50% subsidised rates, as Janata Vastralu. Towards this and other welfare schemes, the allocation has been increased nearly ten times to Rs. 200 crore. Further, an amount of Rs 42 crore is proposed towards yarn subsidy for silk weavers.

19. To improve the livelihood of traditional fishermen community and to enhance the incomes of both inland and marine fishermen it is proposed to provide mechanised boats and diesel at subsidised rates.

I propose an of Rs. 77 crore, which is more than a six fold increase from Rs. 12 crore allocated in 2017-18. Realising the difficulty faced by fishermen to carry on their occupation after the age of 50 years, I propose to make them eligible for social security pensions from the age of 50.

20. It is becoming increasingly difficult for the Rajaka community in villages and towns to carry on their traditional occupation. To enhance their livelihood through infrastructural support, skill development with respect to modern occupational techniques, the allocation is proposed to be increased 100 fold from Rs. 70 lakh to Rs. 70 crore.

21. The Dudekula community's livelihood is proposed to be enhanced by improving their skill sets in using modern occupational techniques and also to help them to diversify to other occupations. For this, I propose an increased allocation by 20 times from Rs. 2 crore to Rs. 40 crore.

22. To enhance their livelihood through infrastructural support, skill development with respect to modern occupational techniques for the Nayee Brahmanas, the allocation is increased 35 fold from Rs. 85 lakh to Rs. 30 crore.

23. Financial assistance to AP Corporation for Welfare and Development of Most Backward Classes has been substantially increased from Rs. 60 crore to Rs. 100 crore.

24. The allocations for livelihood support for various backward classes have been enhanced substantially as follows:

- Toddy tappers: From Rs. 35 crore to Rs. 70 crore
- Valmiki/Boya: From Rs. 25 crore to Rs. 50 crore
- Vaddera: From Rs. 25 crore to Rs. 50 crore
- Viswa Brahmins: From Rs. 30 crore to Rs. 50 crore
- Salivahanas: From Rs. 30 crore to Rs. 50 crore
- Sagaras/Uppara: From Rs. 25 crore to Rs. 40 crore
- Medaras: From Rs. 20 crore to Rs. 30 crore
- Krishna Balija/Pusala: From Rs. 20 crore to Rs. 25 crore

I am delighted to inform that with these allocations the overall sub component for the BCs has seen a substantial increase from Rs. 10,000 crore to Rs. 12,200 crore, a 20% increase.

Social Welfare

I take inspiration from the words of Dr. B. R. Ambedkar, and I quote,

“Equality may be a fiction but nonetheless one must accept it as a governing principle”

25. In order to empower the SC community through quality education, the Government is supporting boarding, shelter and education of 97,930 students in 1,067 Social Welfare Hostels. Besides, the A.P. Social Welfare Residential Educational Institutions Society is providing education to 1,07,597 children in 188 institutions with consistently good results. I propose to increase the allocation for APSWREIS from Rs. 749 crore to Rs.1,050 crore, an increase of 40%.

26. Another focus area for the empowerment of the Scheduled Castes is providing financial assistance to the poor SC families. It is proposed to provide an amount of Rs. 901 crore as subsidy component for Economic Support Schemes assistance to Vulnerable Groups.

27. We all encounter the sight of cobblers mending shoes on the road side, exposing themselves to hot sun, cold and rain. Government proposes to provide modern workshops to them, with an outlay of Rs. 60 crore. Further, I propose Rs. 40 crore to LIDCAP to support establishment of small scale leather industries. I also propose pension for the Dappu artists with an outlay of Rs. 12 crore.

28. Above all, the Scheduled Caste Component is being implemented for all-round development and empowerment of the members of the SC community. During 2017-18, an amount of Rs.9,847 crore was allocated to 22 Departments. To bridge the infrastructure gap and to provide connectivity to SC habitations, 446 roads works were sanctioned with Rs.452 crore to unconnected SC habitations with population more than 250. Similarly, drinking water works worth Rs.226 crore were sanctioned for 1005 SC habitations. I propose to enhance the overall SC Component to Rs. 11,228 crore, an increase of 14%.

Tribal Welfare

29. The Government is fully committed to ensuring empowerment of Scheduled Tribe families through a multi-pronged approach. 44,365 ST students are studying in 184 Gurukulams from Class-I to Intermediate. To further improve the quality of education, the Government has converted 179 hostels into 80 residential schools and 30 ashram schools. 14,923 ST students have been brought under the Residential Education Mode. I propose an increase from Rs. 100 crore to Rs.250 crore for construction of buildings for residential

school complexes and an increase from Rs. 524 crore to Rs. 670 crore for the Tribal Welfare Residential Schools. It is proposed to allocate an amount of Rs. 262 crore for providing subsidy component for Economic Support Schemes and Skill Development Training Programmes of ST community.

30. The Government is concerned that due to the absence of stable broadband connectivity, the tribal hinterland of the State is being largely bypassed by the digital revolution, leading to asymmetry in the social & economic development of the tribal areas vis-à-vis the plain areas. Hence, the Government is determined to deploy the latest technological advancements for providing access to triple-play services in all the gram panchayats in the tribal area during 2018-19. I propose an amount of Rs. 90 crore for viability gap assistance for broadband connectivity in tribal areas.

31. To provide nutritional support to the tribal people, I propose to provide food baskets with an outlay of Rs. 40 crore. Further, for strengthening marketing and storage infrastructure in the ITDAs, I propose to allocate Rs. 50 crore.

32. During the period from 2014-15 to 2017-18, an amount of Rs 10,033 crores has been allocated to the ST Sub-Plan. A perspective plan, under the ST Component, for augmenting infrastructure in the tribal habitations is being implemented with an outlay of Rs 156 crore for providing Safe Drinking Water in 1,057 habitations and under Rural Road Connectivity, 1,534 road works with a length of 2,871 km are being laid with an outlay of Rs. 863 crore. This year the amount under ST Component has been increased to Rs. 4,176 crore from Rs. 3,528 crore, an increase of 18%.

Minorities Welfare

A renowned English historian, John Dalberg-Acton said:

“The most certain test by which we judge whether a country is really free is the amount of security enjoyed by minorities”

33. Our Government has always cared for the minorities and has been attentive towards their welfare. It has always ensured that the minority communities get equitable share in economic activities and employment through existing and new schemes. Government is providing enhanced credit support for economic activities including self-employment and up-gradation of skills through technical training. Overseas Education Scheme for minorities provides financial assistance of Rs.10 lakh per student. During 2018-19, the allocation under this scheme is proposed to be raised from Rs. 5 crore to Rs. 30

crore. The allocation for *Dulhan* Scheme is proposed to be increased from Rs. 60 crore to Rs. 80 crore. Provision for Incentives to *Imams* and *Mouzams* is proposed to be increased from Rs. 24 crore to Rs. 75 crore, a three-fold increase. An amount of Rs. 150 crore is being proposed as subsidy for Bank linked Income Generated Schemes, as against Rs. 100 crore in 2017-18. The allocation for Christian Minorities has been more than doubled from Rs. 35 crore to Rs. 75 crore. An overall amount of Rs. 1,102 crore is proposed for Minority Welfare in 2018-19 as against Rs. 840 crore in the current year, an increase of 31%.

Women, Children, Differently Abled, Transgender and Senior Citizens Welfare

Dr. B. R. Ambedkar has said:

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

34. Government is taking all measures to safeguard the interests and rights of women, especially for promoting gender equality, duly ensuring that women and girls are neither subjected to discrimination nor neglected in matters of economic development, security and human rights. It is our endeavour to improve the lives of women in respect of all Human Development Indicators. Numerous schemes for the welfare of women and children, such as ICDS, ICPS, SNP, AAH, Giri Goru Mudhalu, SABALA are being implemented.

35. The Government is giving increased focus to address malnutrition amongst women and children. A new scheme Special Nutrition for Malnourished Children and Mothers with an allocation of Rs. 383 crore is proposed. Implementation of Anna Amrutha Hastham has been expanded from 107 to all 257 ICDS projects in the State to reduce Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR). I am proposing Rs. 1,016 crore for Nutrition Programme as against the existing provision of Rs. 523 crore, nearly doubling the allocation.

36. The age group of 11 to 18 years of adolescent girls is the time when life management skills, nutrition, education, personal hygiene are of prime importance. These aspects are addressed in a holistic manner by the SABALA scheme. At present, this scheme is being implemented in four districts. It will be extended to six more districts viz. Srikakulam, Vizianagaram, East Godavari, Prakasam, Kurnool and Kadapa. Towards this I propose an allocation of Rs. 60 crore.

37. Inhibition prevails among adolescent girls and their parents during menstrual periods. This inhibition forces girls to refrain from normal activities. They are forced to remain absent from schools and abstain from participating in extracurricular and sports activities. This could result in girls falling behind in studies. To address these inhibitions and to promote hygiene, Government has decided to provide sanitary napkins to adolescent girls in Secondary Schools and Colleges. I propose Rs. 27 crore for this purpose. On similar lines, I also propose Rs. 100 crore for providing sanitary napkins to adolescent girls and SHG women.

38. Special emphasis is also being given for the welfare of Differently Abled. Scholarships for differently abled have been doubled. I propose to increase the allocation for the Prosthetics Aids Programme from Rs. 13 crore to Rs. 35 crore. Similarly, the allocation for economic rehabilitation has been more than tripled from Rs. 9 crore to Rs. 30 crore. It is proposed to increase the overall allocation for the Differently Abled from Rs. 89 crore to Rs. 121 crore, marking an increase of 36%. It is proposed to extend the pensionary benefits to all the differently abled members in a family, without any restrictions on the number of pensions per family.

39. We are aware of the problems faced by transgender. Majority of them earn their living by resorting to begging. Keeping in view the difficulties being faced by transgender, our Government has formulated a Transgender Policy. In support of that, I propose an allocation of Rs. 20 crore.

40. To the Women, Children, Differently Abled, Transgender and Senior Citizens department, I propose an allocation of Rs. 3,008 crore, an increase of 70% over the current allocation of Rs. 1,773 crore.

Youth Advancement

I would like to quote the words of Swami Vivekananda:

**“A brave, frank, clean-hearted, courageous and
aspiring youth is the only foundation on which the
future nation can be built”**

41. To harness and channelize energies of our youth for constructive activities by implementing youth empowerment and youth advancement programmes, Government is formulating a Youth Policy for State of Andhra Pradesh in alignment with Sunrise Andhra Pradesh Vision 2029. For this purpose, I propose Rs.1000 crore. In addition, I propose Rs. 305 crore for implementation of Youth Welfare Schemes.

42. For the Youth, I propose an overall allocation of Rs. 1,307 crore, an increase of 68% over Rs. 778 crore in the current year.

Sports

43. The comprehensive Sports Policy 2017-22 is a manifestation of the cherished desire of our Hon'ble Chief Minister of ushering in healthy living for all through sports. "*Kreeda Vikas Kendras*" are being constructed in all Assembly constituencies in the State to attract the children and youth towards sports activities, to ensure good health of the people and to improve overall happiness index of the State. Coaching camps, competitions and orientation courses to PDs/PETs are planned to be conducted. To improve the standards of sports persons to achieve top level performance in National & International tournaments, 6 academies for boys and girls with a strength of 150 each were established. Government plans to implement the Sports Adopted School program in 303 identified Government schools in 13 districts during 2018-19. Additionally, the Government is prioritising the promotion of sports infrastructure in rural and tribal areas. Sports personalities like P.V.Sindu, Kidambi Srikanth, Ragala Varun, Jyothkia Sri, Santhoshi, and Volley ball, Basketball teams earned laurels for the State. It is also a matter of great pride to us that the Indian Cricket team for blind under the captainship of Mr Ajay Kumar Reddy lifted the World Cup.

44. An amount of Rs. 50 crore has been proposed to take up physical literacy activities in schools.

45. I propose an amount of Rs. 300 crore for Sports infrastructure development in the State, particularly in the rural areas, an increase of 42% over Rs. 211 crore in 2017-18.

Housing

46. Government of Andhra Pradesh is committed to provide housing for all by 2022. 2,70,000 houses have been completed up to end of February 2018. Under NTR Urban Housing (BLC) 1,25,000 houses are under construction dovetailing with BLC Component of Pradhan Mantri Awaas Yojana. Another 4,50,000 houses are under various stages of construction under NTR Rural Housing.

47. Government has sanctioned an additional amount of Rs. 25,000/- for each house to all incomplete houses under pre NTR Housing schemes to facilitate completion of 2 lakh houses. So far 31,602 houses have been completed.

48. Government with an intention to provide pucca housing for every poor person in urban areas by 2022 has taken up construction of 9 lakh houses. For this purpose, I propose a grant of Rs. 1000 crore to the implementing agency - APTIDCO, for repayment of loans.

49. The Government is committed to giving a house site to all the eligible and needy. I propose to allocate Rs 575 crore for providing house sites.

50. I propose an overall allocation of Rs. 4,752 crore from Rs. 1,452 crore, a more than three fold increase over current year.

Elimination of Poverty

51. Government is implementing several schemes for eradication of poverty in the rural areas through the SERP. Some of the schemes are - *Unnathi*, SHG- Bank Linkage, *Chandranna Cheyutha-Empowerment of Women* and Interest subvention to SHGs, *Sthree Nidhi*, NTR *Bharosa* Pensions, *Chandranna Bima*, APRIGP and NRLM. Strengthening of community led institutions through social mobilisation has been successfully done by organising 87 lakh rural and urban women into SHGs. Another innovative initiative was to train 3,50,000 *Saadhikaara Mitras* across the State with each *Saadhikaara Mitra* having 35 households to enable eligible beneficiaries in accessing the schemes of the Government.

52. I propose an allocation of Rs. 5000 crore for NTR Pension Scheme, Rs. 1,463 crore for *Vaddileni Runalu* scheme to support SHG women in rural and urban areas, Rs. 1,700 crore towards capital infusion for SHG women, and Rs. 100 crore for *Streenidhi*.

53. Start-up Village Entrepreneurship Program, a sub project of NRLM, is being implemented on pilot basis with the objective of strengthening existing enterprises and promote new enterprises. So far, 2398 SHG entrepreneurs have been trained and provided with financial support of Rs.9.15 crore.

Healthcare

54. Our Government seeks to achieve Universal Health Security. Health services are also being provided in PPP mode to ensure better delivery with quality. Reputed national & international institutions are engaged as Technology Partners to provide technical inputs. Services being delivered in this mode are *Talli Bidda Express*, NTR *Vaidya Pariksha* (Free Diagnostic Laboratory Services), Tele-Radiology X-ray, MRI and CT Services, NTR Baby Kit, Free Dialysis, *Chandranna Sanchara Chikitsa*, *Mukyamanthri Aarogya Kendralu*, *Mukya Manthri*

e–Eye *Kendram*, Biomedical Equipment Maintenance Service, Hospital Sanitation, Security, Pest & Rodent Control, CHC Sanitation services, Hospital Linen & Laundry Services, *Mahaprasthanam* and medicines for all free of cost.

55. High incidence of kidney ailments in *Uddanam* village of Srikakulam is another cause of concern for the Government. It has been decided to establish 14 dialysis centres there to provide relief to the sufferers.

56. An overall allocation of Rs. 8,463 crore is proposed for the Health sector as against Rs. 7,020 crore allocated in 2017-18, an increase of 21%.

Human Resource Development

57. Knowledge Mission has been launched to transform Andhra Pradesh into an Education and Knowledge Hub. Provision of bicycles to girls not only facilitates attending school and college but also acts as an empowerment tool. It inculcates independence and also enables girls to build confidence in their own abilities. An amount of Rs. 160 crore has been proposed for Badikosta programme for providing bicycle to girls studying in 8th class also along with 9th class students for the academic year 2018-19.

58. Digital classrooms are an innovative aid to learning. Digital technology enables us today to bring the benefits of quality education to villages. An amount of Rs. 117 crore has been proposed under Digital Classrooms scheme to cover schools and colleges.

59. Lack of hygienic toilets in schools has been a long concern. This had adverse implications both on the health of students and girl child attendance. For the first time, I propose an amount of Rs. 100 crore to maintain hygienic toilets in schools.

60. The concept of Model Schools was an initiative of the Government of India. But they discontinued it in the academic year 2015-16. However, the State Government is pursuing the matter with the Government of India for their support to run these schools. Pending their response, I propose a provision of Rs. 377 crore.

61. To improve the nutritional quotient in the Midday Meal scheme, the number of eggs served per week is proposed to be increased from three to five eggs with an outlay of Rs. 266 crore. I also propose to extend the Midday Meal scheme to the Intermediate students, for which I propose a provision of Rs. 23 crore.

62. An allocation of Rs. 21,612 crore is proposed for secondary education against Rs. 17,952 crore in 2017-18, an increase of 20%.

63. Lack of communication skills is a hurdle coming in the way of youth in finding jobs. It is proposed to establish English Labs in Degree Colleges to brighten the job prospects. Government is also keen to improve the infrastructure in Degree Colleges which include construction of new buildings, adding new collections to the libraries and modernization of laboratories.

64. Government is very keen on extending infrastructure support to all the new Universities. An amount of Rs.40 crores each is proposed for *Adikavi Nannaya* University, Rajamundry, Dr. B.R. Ambedkar University, Srikakulam, Rayalaseema University, Kurnool, Urdu University, Kurnool, *Yogi Vemana* University, Kadapa and *Vikramasimhapuri* University, Nellore. An amount of Rs. 20 crores is proposed to be allocated to *Sri Padmavathi Mahila* University, Tirupati for providing hostel facility to the students in the budget 2018-19. Our Government expects that the older and well established universities would achieve financial self-sufficiency.

65. With a view to improve the infrastructure and lab facilities in polytechnics I propose to increase the allocation from Rs. 20 crore to Rs.158 crore, about an eight fold increase.

66. I propose an overall allocation of Rs. 2,835 crore to Higher Education.

Employment and Training

67. The rapid industrialization needs huge manpower with basic technical knowhow and expertise. The Polytechnics and Industrial Training Institutions provide for these requirements. Government is working on improving the conditions of these technical institutions. An amount of Rs. 176 crore is proposed to be provided as against Rs. 28 crore granted in the current year for construction of ITIs and modernization of laboratories. This is more than a six fold increase.

68. With effect from 2nd October, 2017, the *Chandranna Bima* Scheme has been implemented in convergence with other schemes. Under this scheme, the benefits provided are: Rs.5 lakh accidental death/permanent disability insurance to the workers; Rs.2 lakh towards natural death to the workers in the age group of 18-50; Rs.30,000 to the workers in the age group of 51-60; and Rs.2.5 lakh towards permanent partial disability insurance to 2.46 crore unorganized workers in the State. Besides, add on benefit of scholarship of Rs.1200 per head up to two children of the workers

studying in 9th, 10th, Intermediate or ITI is also provided. So far Rs.392 crore have been disbursed to 29,038 families of unorganized workers. I propose an amount of Rs. 140 crore for this scheme.

Skill Development

69. Skills training and job facilitation activities are being taken up in a big way for the benefit of students and unemployed youth. It is planned to scale up the skill development programmes to reach out to 1 million beneficiaries in 2018-19. 1000 skill developments centres will be set up in identified Social Welfare/Tribal Welfare schools, degree and engineering colleges across the State to provide employability skills and training in new technologies to make them job ready. 6 Centres of Excellence and 34 Technical Skill Development Institutions have been operationalised in the current year in partnership with the German major Siemens with a capacity to train 1 lakh students in industry relevant courses. I propose Rs 300 crore for the Skill Development department.

Environment and Forest

Gurudev Rabindranath Tagore expressed the importance of environment through the words, I quote:

“The one who plants trees, knowing that he will never sit in their shade, has started to understand the meaning of life”

70. It gives me great pleasure in stating that Andhra Pradesh stands first in the country for maximum increase of forest and tree cover of over 2,141 sq. km. This is the outcome of *Haritha* Andhra Pradesh drive through which action plan on protection efforts and conservation measures have been successfully implemented under able leadership of Hon'ble Chief Minister. I propose an allocation of Rs 524 crore for Environment and Forests as against Rs. 364 crore in the current year, an increase of 44%.

Climate resilient Agriculture

71. Primary Sector Mission was constituted to look into the key concerns of agriculture sector, to suggest tangible solutions for overcoming farm-related problems and to make agriculture a profitable engagement. The initiatives which primarily focus on productivity improvement have started showing results and are expected to take full swing.

72. Agriculture has recorded 17.44% growth rate during first half of 2017-18 compared to 3.69% during 2016-17. Early release of canal water in Godavari Delta and through *Pattiseema* in Krishna Delta

facilitated early harvest and yield enhancement in paddy and increase in 70,000 hectares of additional rice fallow pulse area.

73. The Government is promoting 'Zero-budget Natural Farming' for the comprehensive and long-term welfare and prosperity of farmers and to safeguard them from the adverse climate effects. In 2017-18, this programme was expanded to 401 clusters, 334 mandals, 972 villages, covering 1.59 lakh farmers in about 66,000 hectares.

74. The AP Agri Tech Summit 2017, a global event, was held in November 2017 bringing together global leaders, business heads, start-up founders, leading policymakers, and technology experts to discuss innovative ideas for agricultural transformation in the State. The Government is working with Bill & Melinda Gates Foundation for sharing innovative technology in soil analysis and soil health management for digital soil mapping. An allocation of Rs. 30 crore is proposed for digital soil mapping and other innovations in agriculture.

75. To develop Andhra Pradesh as Global seed hub and to ensure the availability of quality seed with low cost to every farm holder in the State, Mega Seed Park project is initiated at Tangadencha Agriculture farm in Kurnool District in collaboration with Iowa State University, USA. An amount of Rs. 100 crore is proposed for this project.

76. For the first time Government of Andhra Pradesh distributed micronutrients with 100% subsidy to correct deficiencies in 12 lakh hectares. The proposed allocation for farm mechanisation is Rs. 250 crore. In accordance with the commitment of the Government on debt redemption, a provision of Rs. 4100 crore is proposed for farm debt waiver in 2018-19. Further, our Government is contemplating creation of Market Intervention Fund to ensure reasonable returns to the farmers.

77. The vision of Hon'ble Chief Minister is to expand the area under horticulture crops from existing 40 lakh acres to 100 lakh acres. Micro irrigation will be implemented on saturation mode to cover the remaining area during next five years. One million farmers will be organized into 1000 FPOs in the primary sector for value chain development and better market linkage. I propose an increased allocation of Rs. 1102 crore for AP Micro Irrigation Project with enhanced subsidy from State Government, an increase of 49%.

78. In sericulture, apart from the regular schemes, Rs. 42 crore is proposed to give yarn support price for silk weavers in 2018-19 from the current year allocation of Rs. 3 crore.

79. I propose an overall allocation of Rs 10,097 crore for Agriculture, Marketing, Cooperation, Horticulture and Sericulture department over Rs. 7,342 crore in the current year, an increase of more than 37%. My cabinet colleague, the Hon'ble Minister for Agriculture would present the detailed Agriculture Budget.

Animal Husbandry, Dairy Development and Fisheries

80. The livestock sector contributes more than 9% to the State's economy. In tune with bringing Andhra Pradesh among the top three in the country in milk, meat and egg production by 2022, the livestock sector registered a growth rate of 13.68% as against the corresponding national growth rate of 2.05%. The State has started mobile veterinary clinic services. Fodder shortage on account of deficit rainfall was dealt with by creation of fodder banks with 10 lakh quintals of silage and 5 lakh quintals of TMR in the State. During 2018-19, the Government proposes to implement Mega *Pashugraasa Kshetralu* in collaboration with entrepreneurs. I propose Rs. 111 crore for veterinary hospitals and dispensaries as against the existing provision of Rs. 58 crore. Similarly, the provision for infrastructure support to field veterinary institutions is proposed to be enhanced from Rs. 25 crore in 2017-18 to Rs. 75 crore in 2018-19.

81. A new scheme to insure 10 lakh animals is proposed with an allocation of Rs. 50 crore. This would benefit about 3 lakh farmers.

82. Fisheries sector continues to be a high growth and employment centric sector of our State economy. This sector registered an impressive growth rate of 42.73% compared to all India growth rate of this sector at 13.08%. Increase in the production of marine fish and brackish water prawns was a major contributor to this growth. Under the *Chandranna Aqua Rythu Kshetralu*, on-farm demonstration ponds are being used to demonstrate the latest technology interventions to continue the growth in the sector.

83. For Animal Husbandry, Dairy Development and Fisheries, I propose an overall allocation of Rs. 1,743 crore as against Rs. 1,394 crore in 2017-18, an increase of 25%.

Water Resources Management

84. Our Government is making all out efforts to make the State drought proof by better conservation and water management techniques under *Neeru Chettu* programme.

85. The construction of Polavaram project is progressing at a fast pace. We intend to complete the project at the earliest and thereby provide its benefits to the State of Andhra Pradesh. I propose an allocation of Rs. 9,000 crore in 2018-19 for Polavaram Project.

86. The Government intends to complete all the ongoing projects - *Mahendrathanaya*, Vamsadhara, Thotapalli, *Uttara Andhra Sujala Sravanthi*, Purushottapatnam Lift Irrigation Scheme, modernisation of Godavari Delta including Yeleru system, Chintalapudi Lift Irrigation Scheme, Krishna Delta modernisation, effective utilisation of Pattiseema, Nagarjuna Sagar modernisation, Veligonda project, Sangam barrage, Nellore barrage, Somasila project, Somasila Swarnamukhi link canal, Telugu Ganga Project, GNSS and its components, HNSS and its components. Due importance would be given to complete all the on-going lift irrigation schemes being executed by APSIDC. The State also has a vision to connect all the five major rivers – Vamsadhara, Nagavalli, Godavari, Krishna and Penna – thus creating a *Mahasangamam*, to ensure water security to the State of Andhra Pradesh.

87. I propose a higher allocation of Rs. 16,978 crore in 2018-19, an increase of 33% over 2017-18 allocation of Rs. 12,770 crore.

Food Security

88. To maximise the goal of providing food security, the Government of Andhra Pradesh has gone beyond the limit of 268 lakh units under the National Food Security Act and has extended the coverage to another 134 lakh units. 2,36,000 new White Ration Cards have been issued during 5th round of *Janmabhoomi – MaaVooru* Programme conducted in January 2018. During the Sankranthi, Christmas and Ramzan festivals, the Government is supplying free gift packs (*Chandranna Kanuka*). Hon'ble Chief Minister launched the Village Mall Scheme in December 2017. In the 1st Phase, about 6,500 FPS will be upgraded to Village Malls to make available quality FMCG products and staples at a price lesser than market price.

89. The Government proposes to introduce measures for stabilizing prices of the essential commodities. Towards this, an enhanced allocation is proposed for the Civil Supplies Corporation.

90. To facilitate the poor women in tribal areas the Hon'ble Chief Minister launched the distribution of "Tribal LPG package". This package includes 5kg LPG cylinder connection, ISI standard stove, regulator, pass book and hose pipe, etc. with a kit worth Rs. 2,480/- provided free of cost. So far, 61,444 tribal families have been

provided with this package. I propose an allocation of Rs. 3,495 crore for this sector.

Rural Development

91. Out of the total 56,735 km of internal roads in the State, around 30,546 km have already been laid with CC pavement. Our Government has taken up a flagship programme- *Waada Waadalo Chandranna Baata*- to lay CC roads on a saturation mode. During 2017-18, 5102 km length of internal road was laid with CC pavement.

92. Under NTR Sujala Sravanthi scheme, 103 clusters covering 8000 habitations have been sanctioned for provision of safe drinking water through community treatment plants. Government has decided to supply 70 lpcd service level with house tap connections to all households. The Andhra Pradesh Drinking Water Supply Corporation has been formed to permanently solve the drinking water problem in the State. Drinking water project proposals for an amount of Rs. 22,000 crore have been planned to be taken up through bank loans and annuity modes. Rs. 150 crore is proposed for NTR *Sujala Sravanthi* scheme.

93. Government is planning to dig 25,000 bore wells under NTR *Jala Siri* in Srikakulam and Vizianagaram Districts with Rs. 100 crore to utilise the available groundwater for improved agriculture. Rs 200 crore is proposed for NTR *Jala Siri* against Rs 55 crore in 2017-18.

94. Under the Swachha Andhra Mission, in rural area out of 71.03 lakh households, 60.86 lakh households i.e. 86% percent are provided with IHHL. Out of 12,854 gram panchayats in the State, 6,311 GPs are declared as ODF. Out of 13 districts, six districts viz. West Godavari, Nellore, Krishna, East Godavari, Prakasam and Guntur are declared as ODF districts. Remaining will be declared on or before 31st March 2018. I am proposing an allocation of Rs. 100 crore for additional assistance for individual household latrines under MGNREGA and Rs. 1450 crore for *Swachha* Andhra Mission as against Rs. 515 crore in the current year.

95. To create productive assets by convergence of MGNREGS grants with various departmental requirements, a Convergence Grant of Rs. 750 crore is proposed in 2018-19 against the existing Rs. 330 crore.

96. Panchayat Raj and Rural development activities will be strengthened with a proposed allocation of Rs. 23,439 crore, an increase of 11% over the current year allocation of Rs. 21,140 crore.

Industries and Commerce

97. Our Government is committed to ensure balanced, equitable and decentralized industrial development. I am happy to inform you that the Andhra Pradesh has been attracting investments across sectors such as automobile, food processing, textiles, marine products, cement, etc.

98. Andhra Pradesh is currently tracking 1946 large & mega projects across 18 departments with Rs. 13.54 lakh crore committed investment and employment of 31 lakh. Out of these, 531 projects have commenced operations with committed investment of Rs 1.29 lakh crore and committed employment of 2.64 lakh. In the recently concluded Partnership Summit 2018, the Government signed another 734 MoUs with investment potential of Rs 4.39 lakh crore and employment potential of 11 lakh. Government is tracking projects through an online investment tracker, which is open for public viewing. Some of the prominent companies that have started production in the State include Isuzu Motors, Pepsi Co., Mondelez, Foxconn, Berger Paints, Aurobindo Pharma, Dr. Reddy's Laboratories, Celkon and Colgate Palmolive amongst many others. There is also a strong pipeline of investment with companies such as Kia Motors, Greenply and Asian Paints. in advanced stages of implementation.

99. In the MSME sector 26,368 units have been established with investment of Rs. 11,779 crore, providing employment to 3.09 lakh persons. To further promote MSME, the Government will be establishing a dedicated MSME Corporation. MSME Parks with plug-and-play facilities are also planned in 175 assembly constituencies in a phased manner. An allocation of Rs. 200 crore is proposed for MSME sector.

100. Andhra Pradesh is ranked no. 1 in the country on Ease of Doing business as per the 2016 assessment of States conducted by DIPP and World Bank. Through the Single Desk Portal, over 24,000 approvals have been provided to setup industry within the State. Since June 2014, Government released Rs. 3,061 crore of industrial incentives against 16,792 claims. The AP Public Service Delivery Guarantee Act 2017 has also been enacted where timelines have been stipulated for delivery of public services. Currently, 74 services across 22 departments are covered under the Act.

101. Government is implementing two large industrial corridor projects - Visakhapatnam-Chennai Industrial Corridor (VCIC) and Chennai-Bangalore Industrial Corridor (CBIC). Out of the 4 nodes under VCIC, master planning of 2 nodes - Visakhapatnam and Srikalahasti - Yeperdu will be completed shortly. Under CBIC,

development of Krishnapatnam node is being taken up. The conceptual master plan has been approved.

102. I propose an amount of Rs. 3,075 crore as against Rs. 2,086 in 2017-18, an increase of 47%, to the Industries and Commerce department.

Information Technology

103. The Government has put in place several policies in the IT domain to support investor-community and sustain their operations in the State. The Government has been successful in receiving final approval for three Electronic Manufacturing Clusters to promote electronics manufacturing in a big way and it is expected to generate nearly 2 lakh employment opportunities. International Institute of Digital Technologies (IIDT), Tirupati, a world class institute on digital technologies has been made operational in 2017. The target is to train 12,500 candidates over the next 4 years in advanced digital courses. The State successfully hosted Asia's largest Blockchain conference in October 2017, which was attended by over 1,000 people from more than 20 countries.

104. In order to give a fillip to the Information Technology sector in our state, I propose an allocation of Rs. 100 crores to provide incentives to the start-up businesses in this sector.

105. I propose an allocation of Rs.1,007 crore to ITE& C department from existing allocation of Rs. 364 crore, nearly a three fold increase.

Energy, Infrastructure and Investment

106. Today Andhra Pradesh is a State with zero power deficit. AP Discoms have one of the lowest ATC losses in the country. It is targeted to complete the replacement of 65,000 pump sets with energy efficient pump sets. The Government is also encouraging use of non-conventional energy sources by installation of solar pump sets. So far, 20,575 pump sets have been installed. Two additional LED bulbs are being distributed to the SC & ST BPL families. Strengthening of electrical lines in rural areas is being carried to support the LED bulbs replacement scheme.

107. It is a matter of great pride for the State that the AP Fibre Grid project was inaugurated by Hon'ble President of India in December 2017. It is the cheapest internet connectivity system in the world. APSFL has already laid over 23,000 km of the total 55,000 km long Optical Fibre Cable in the 13 districts. Over one crore households, 50,000 schools and educational institutions, all government offices,

over 5,000 government hospitals and health centres and all panchayat offices will get access to high-speed internet and rent-free telephone and cable TV services as part of the AP Fibre Grid Project. I propose an allocation for Rs. 602 crore for APSFL and its subsidiaries in 2018-19.

108. Ports are the gateway to the world. Andhra Pradesh non-major ports have handled 130.6 million metric tonne cargo which is 3rd highest in the country only after Gujarat and Maharashtra. Bhavanapadu port, KSEZ port and Machilipatnam port are being developed under Public Private Partnership mode.

109. I have proposed Rs. 5,140 crore to the Energy and Infrastructure department, an 18.66% increase over current year allocation of Rs. 4,331 crore.

Transport, Roads and Buildings

110. Government is upgrading network of roads to improve connectivity across the State. They act as links between rural and urban economies. The Government has been continuously improving the quality of roads through various activities. The Government aims to connect the hitherto unconnected villages.

111. Government proposes to extend an assistance of Rs.200 crore in the form of grants to Andhra Pradesh State Road Transport Corporation for acquiring Palle Velugu buses to improve rural mobility, with particular reference to cover villages in tribal areas. Similarly, an assistance of Rs. 290 crore is proposed to APSRTC towards reimbursement of concessions extended to various categories of citizens.

112. I propose an allocation of Rs. 4,703 crore for the TR&B department, an increase of 16 % above the current year allocation of Rs. 4,042 crore.

Municipal Administration and Urban Development

113. All 110 ULBs in the State have achieved ODF status by 2nd October 2016, three years ahead of target date. In 78 non AMRUT towns Faecal Sludge Management projects have been taken up under PPP mode. State is on path to achieve ODF plus status by 2nd October 2018. Three Construction and Demolition Waste treatment projects have been awarded in Visakhapatnam, Vijayawada and Tirupati under PPP mode. Similarly, nine Waste to Energy projects have been awarded on PPP mode to scientifically process 4321 tonne per day of municipal waste in 51 ULBs.

114. Government is implementing the Smart Cities Mission in Srikakulam, Eluru, Ongole, Kurnool, Ananthapur and Nellore in addition to Visakhapatnam, Tirupati, Kakinada and Amaravati. An enhanced allocation of Rs. 800 crore is proposed for smart cities. At the same time, the allocation for providing infrastructure facilities in Schedule Caste localities of ULBs is being increased from Rs. 260 crore to Rs. 600 crore in 2018-19. I propose an enhanced provision of Rs. 300 crore for remodelling existing sewerage system as against Rs. 100 crore in 2017-18.

115. Subsidized hygienic food to poorer sections in urban local bodies is being provided through Anna Canteen Scheme. Four Anna canteens have already been launched in the Capital Region at Velagapudi, Thulluru, AP Secretariat and Yerrabalem. Government has proposed to establish Anna Canteens in municipal corporations and municipalities. I propose to allocate Rs. 200 crore to Anna Canteen scheme.

116. To assist Vijayawada Municipal Corporation in improving the basic infrastructure facilities, I propose to allocate an amount of Rs. 75 crore.

117. Government is also strengthening the infrastructure and improving the quality of education in municipal schools. This would enable students studying in municipal schools to compete with their counterparts from private schools. For this, I propose Rs. 50 crore.

118. To improve the infrastructural facilities in nagar panchayats and grade III municipalities I propose an allocation of Rs. 119 crore.

Amaravati, the *Praja Rajadhani*

119. The milestones achieved by our Government in a short span of time in the journey of development of Amaravati are spectacular. Amaravati, the *Praja Rajadhani*, has entered crucial phase of construction. Amaravati is the first greenfield city selected as a Smart City and will surely set a benchmark in greenfield developments in the years to come. Various infrastructural works costing about Rs. 45,000 crore are being executed by CRDA.

120. I propose an allocation of Rs. 7,741 crore for the MAUD and CRDA, an increase of 49 % above the current year allocation of Rs. 5,207 crore.

Tourism, Culture and Language

121. Our endeavour is to make Andhra Pradesh one of the most favoured tourist destinations of the world. In terms of domestic tourist arrivals, the State is ranked 3rd in the country. In 2017-18 we were host to 8 per cent more tourists than the previous year. For capacity building and skill development in tourism sector, 2,400 persons have been trained in Travel, Tourism and Hospitality sectors. Project *Sanskriti* has been launched to develop rural tourism in 12 villages which are specialised in art, culture, handicrafts, *Kalamkari* and handlooms.

122. In the sphere of culture, seven new academies were sanctioned by the Government for development of art, music, history and sciences. These academies will become functional in 2018-19. The Government provides Old Age Pension to Artists covering 6746 beneficiaries. We have also launched Cultural Celebrations wherein regional festivals and jatharas are celebrated all over Andhra Pradesh with the involvement of local artists with the intention of promoting, preserving and reviving the local art forms.

123. I propose an enhanced allocation of Rs. 290 crore for Tourism and Culture department.

Employee Welfare

124. Our Government supports every cause of our employees of all cadres and categories. It has always been receptive to the reasonable and genuine demands of the employees. We have taken several measures from the day of this Government assuming office. Notwithstanding our financial stringency, to make our employees cheerful right, our Government enhanced of age of superannuation from 58 to 60 years.

125. The pay scales of State Government employees have been revised by allowing higher fitment of 43% as against 29% fitment recommended by the Tenth Pay Revision Commission. The Revised Pay Scales were extended to the employees of State level Public Enterprises and Autonomous Bodies. We released seven instalments of Dearness Allowance, latest being 1st January, 2017. The remaining instalment of DA will be released soon and the forthcoming instalments of DA will be released as and when due in a reasonable time.

126. It may be recalled that the remuneration of outsourced employees, contract employees, unskilled workers, full time and part-

time contingent employees and anganwadi workers and helpers, municipal workers and SERP HR employees was increased.

127. The employees who had participated in the *Samaikhya* Andhra agitation were given Special Casual Leave equal to the number of days of their actual participation in the general strike. The leave availed by them was restored to that extent. The facility was also extended to the APSRTC employees.

128. The Government has sanctioned gratuity to retired employees covered under New Pension Scheme and Family Pensions and Gratuity to the eligible family members of the deceased employees covered under New Pension Scheme. The VRAs were extended pension and the facility was continued for their spouses also.

129. The language pandits and PETs of both ZP and Municipal high schools were upgraded as school assistants. The Unified Service Rules have been accepted to be implemented for the teachers in the State.

130. Government continues the facilities of working women's and men's hostel with mess and retaining the higher HRA and CCA rates of Hyderabad. Their children had already been given local status to improve their educational and employment prospects. I recall that the employees who got house sites in Gachibowli, Jawaharnagar and Nekkampur in Hyderabad but had to shift to the new capital region were sanctioned special HBA of Rs. 10 lakh enabling them to construct houses in Hyderabad. Recognising the special needs of women employees vis-à-vis their children, the facility of 60 days Child Care Leave was extended. Health cards have been issued under the Employees Health scheme.

131. Government is examining the feasibility of payment of arrears of Tenth Pay Revision Commission.

Financial Management

132. I draw the attention of the honourable members to the commitment made by our Government in my last budget speech to operationalize the Comprehensive Financial Management System (CFMS) on the SAP platform. I am very glad to announce that Andhra Pradesh Centre for Financial Systems and Services (APCFSS), the special purpose vehicle established under the administrative control of Finance Department, has successfully launched the Budget and Receipts modules of CFMS and are being used extensively. The Expenditure, Accounting and HR modules are also planned to be launched soon. I congratulate the team for the hard work and

commitment in making this long cherished dream a reality. This paves way for all the financial operations to be carried out online from the first day of the financial year 2018-19 through CFMS and will provide the required transparency while enhancing efficiency.

133. Through CFMS receipts module, a citizen, a business, or an employee are enabled to conduct their transactions with the Government in an end to end online mode. The ease of conducting this transaction at the comfort of his home or office and online through Web, mobile or a tablet is a major change. Multiple modes of payment – net Banking, debit card or credit card - through a payment aggregator service are enabled. In addition to the online, offline over the counter payments can be carried out at any SBI branch across the state. This process shall also enable seamless auto reconciliation and improves the overall revenue realization cycles, thereby bettering the revenue forecasts for the State for better deficit management.

134. Andhra Pradesh would be the first state in the country to achieve this rare distinction of implementing an ERP application through a sustained measure of process rationalization, harmonization and standardization in realizing its objectives of overall digital transformation. We shall be the first government to introduce end to end paperless transactions with right checks and balances in expenditure processing and also first state to adopt the RBI's eKuber 2.0 on a centralized platform for receipts and disbursements. Government is determined to support these new initiatives and therefore specific provisions for providing good infrastructure and networks for the smooth operations of financial management operations are proposed.

Revenue

135. The Government has adopted best practices for improving efficiency of tax administration. Special drives are being conducted to ensure that no business activities with turnover above Rs. 20 lakh are left unregistered. Issuance of tax invoices to consumers has become very important under GST because it is a consumption based tax. If invoice is not recorded, the Government loses tax revenue on the entire value of those goods.

Registration and Stamps

136. Our Government has initiated many steps to safe guard the interests of property owners and improve transparency in registration services. In order to bring registration services closer to the citizens, online issuance of Encumbrance Certificate and Certified Copies free of cost has been started from 1st January, 2018. The provision of e-

stamping through Stock Holding Corporation of India has been started, giving additional option to the citizens for payment of stamp duties.

137. Government is keen on providing good infrastructure to the mandal revenue offices and revenue divisional offices. I propose an amount of Rs. 50 crore for construction of buildings of Revenue department as against the existing provision of Rs. 10 crore. I propose a similar provision for buildings of Excise Department.

Home

138. As a pilot project, Mahila Police Volunteers have been appointed in Ananthapuramu and Kadapa Districts to act as a link between police and the community, to facilitate women in distress and also serve as a Public-Police interface in order to fight crime against women. 30 Model Police Station Buildings at various places in the State have been sanctioned and works are in progress. It is proposed to strengthen the Fire and Emergency department by giving an increased allocation.

139. I propose an enhanced allocation of Rs. 6,226 crore for the Home department, an increase of 19.25% over the current year allocation of Rs. 5,221 crore.

Law

140. Construction of Court buildings and residential quarters for Judicial Officers of the Subordinate Judiciary is one of the schemes launched by the Government. 45 projects comprising 86 Court halls and 21 residential quarters are in progress in the State. I propose an amount of Rs. 95 crore for this activity.

141. To expedite disposal of pending cases, vacancies of judicial officers will be filled, if necessary.

142. I propose an allocation of Rs. 886 crore for the Law department.

Economy

143. The State Government's commitment to withstand the difficulties and come out with specific growth strategies has started yielding fruitful results with double digit inclusive growth strategy. The State has been targeting sustained double digit growth for about 15 years and the journey is encouraging so far. We have made a very good beginning.

144. During 2014-15, Andhra Pradesh registered a growth rate of 9.2% and stood second among all states, while Indian economy grew at 7.4%.

145. During 2015-16, AP registered an impressive growth rate of 10.6% and again stood, while India grew at 8.2%.

146. During 2016-17 also, the State continued its double digit growth trajectory by achieving 11.01%. All India growth rate during the period was 7.1%.

147. The Government has recognized that maintaining an impressive economic growth rate is imperative for sustained development leading to a happy society. Besides continuing to focus on agriculture and industry sectors, the Government is contemplating to focus on the key sub-sectors pertinent to services economy as well since service sector is one of the major contributors to growth. Due to the untiring efforts and innovative policies, the Government could post a healthy growth rate of 11.22% during the financial year 2017-18, as per the advance estimates, compared to the national growth rate of 6.6%. The State registered highest growth rate in the agriculture and allied sectors with 17.76% as against the national growth rate of 3%. This was made possible by better water management.

148. Advance estimates of 2017-18 indicate a rise in the per capita income, an indicator of the standard of living of the people. It has increased from Rs.1,23,664 in 2016-17 to Rs.1,42,054 registering a growth of 14.87%.

Accounts 2016-17

149. The finance accounts finalised by the Accountant General of Andhra Pradesh show a Revenue Deficit of Rs. 17,193.72 crore, and a Fiscal Deficit of Rs. 30,908.82 crore for the period from April 01, 2016 to March 31, 2017. The Revenue Deficit and Fiscal Deficit for the period from April 01, 2016 to March 31, 2017 was 2.52 per cent and 4.52 per cent of the GSDP respectively.

Revised Estimates 2017-18

150. The revised estimate for Revenue expenditure is Rs. 1,27,272.02 crore, whereas for capital expenditure it is Rs. 22,875.28 crore. The Revenue Deficit for 2017-18 is around Rs. 4,018 crore, whereas the Fiscal Deficit for the same period is around Rs. 27,603.27 crore, which amounts to 0.51 per cent and 3.48 per cent of the GSDP respectively.

Budget Estimates 2018-19

151. For the Financial Year 2018-19, I propose an expenditure of Rs. 1,91,063.61 crore, with revenue expenditure estimated at Rs. 1,50,271.99 crore and capital expenditure estimated at around Rs. 28,678.49 crore (which includes Rs. 9,351.15 crore towards principal repayment of Public Debt). The 2018-19 Budget Estimates entail an overall increase of around 21.69 percent over the 2017-18 budget estimates. While the revenue expenditure is estimated to increase by around 19.35 per cent, the capital expenditure is estimated to grow by around 30.60 per cent over the 2017-18 financial year. The estimated Revenue Surplus is around Rs. 5,235.24 crore and the Fiscal Deficit is estimated at around Rs. 24,205.21 crore. The fiscal deficit will be around 2.78 per cent of the GSDP, whereas the Revenue Surplus would be around 0.60 per cent of the GSDP.

Conclusion

152. I am confident that the above proposals are in the direction of making every citizen in this State a happy person. In other words, a happy state is to be built on the pillars of sustainable and equitable socio economic development, environment conservation, preservation and promotion of culture and last but not the least good governance.

153. While I do not minimise the difficulties that lie ahead of us in the arduous journey on which we embarked, I believe that Andhra Pradesh is the only state that has the power and knowledge to create an ecosystem of knowledge economy that is innovative and futuristic. I call upon the youth of the state to embrace the clarion call of our Hon'ble Chief Minister Shri Nara Chandrababu Naidu and help build a self-sustaining society of hope and strength, where the future generations can live in peace and harmony with a high happiness index. I conclude with the saying of Swami Vivekananda:

“We are what our thoughts have made us; so take care about what you think. Words are secondary. Thoughts live; they travel far”

154. Sir, with these words, I now commend the Budget to this august House for its consideration and approval.

Jai Hind
Jai Andhra Pradesh

SECTOR WISE BUDGET ALLOCATION

(₹ in crores)

S. No.	Sector	B.E 2017-18	B.E 2018-19	Growth %
A	ECONOMIC SERVICES	56575.53	67830.19	19.89
i)	Agriculture and Allied Services	9090.91	12355.32	35.91
ii)	Rural Development	19565.44	20815.98	6.39
iii)	Irrigation and Flood Control	12770.26	16978.23	32.95
iv)	Energy	4274.75	5052.54	18.19
v)	Industry Minerals	2085.96	3074.87	47.41
vi)	Transport	3946.19	4653.74	17.93
vii)	General Eco Services	4842.02	4899.51	1.19
B	SOCIAL SERVICES	51268.91	67120.25	30.92
viii)	General education	20384.72	24185.75	18.65
ix)	Sports and Youth Services	1005.20	1635.44	62.70
x)	Technical Education	765.00	818.02	6.93
xi)	Art and Culture	78.27	94.98	21.36
xii)	Medical	7020.63	8463.51	20.55
xiii)	Water Supply, Sanitation	1575.34	2623.22	66.52
xiv)	Housing	1456.55	3679.53	152.62
xv)	Urban Development	5207.45	7740.80	48.65
xvi)	Information & Public Relations	155.97	224.81	44.14
xvii)	Welfare	11361.52	13722.98	20.78
xviii)	Labour and Employment	468.80	902.19	92.45
xix)	Social Security & Welfare	1789.46	3029.02	69.27
C	GENERAL SERVICES	49154.96	56113.17	14.16
xx)	General Services	49154.96	56113.17	14.16
	Grand Total	156999.40	191063.61	21.70

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
1	Farmers Debt Waiver	3600.00	4100.00	13.89
2	Farm Mechanisation	146.63	250.00	70.50
3	Mega Seed Park		100.00	*
4	Storage. interest and other related costs of fertilizer buffers	5.00	40.00	700.00
5	Assistance to Andhra Pradesh Agricultural University	307.87	355.00	15.31
6	Pradhana Mantri Krishi Sinchayi Yojana (PMKSY)	517.00	1102.00	113.15
7	Yarn Support Price for Silk Weavers	3.10	42.08	1257.42
8	Implementation of Sericulture Schemes	16.18	25.54	57.85
9	Assistance to Co-operative Credit Institutions under Short, Medium and Long term credit	2.08	57.00	2640.38
10	Fodder and Feed Development	120.00	149.00	24.17
11	Veterinary Hospitals and Dispensaries(more Allocation for Drugs)	58.43	110.90	89.80
12	Infrastructure support to Field Veterinary Institutions for increasing the no of vaccinations	25.00	75.00	200.00
13	Live Stock Insurance		50.00	*
14	Fisheries Policy	13.21	30.65	132.02
15	Assistance to Lively hood enhancement of fisherman(supply of mechnised boats, nets and diesel etc at subsidised price)	12.00	77.00	541.67
16	Over all BC Welfare excluding Kapus,Vysyas & EBCs	3316.00	4477.00	35.01
17	Chandranna Pelli Kanuka for BCs		100.00	*
18	Aadarana		750.00	*
19	Welfare of Kapus	1000.00	1000.00	0.00
20	Reimbursement of Tuition Fee to Economically Backward Classes (EBC) Students	695.75	700.00	0.61

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
21	Financial Assistance to Andhra Pradesh State Backward Classes Co-operative Finance Corporation	300.00	600.00	100.00
22	Financial Assistance to Andhra Pradesh Corporation for Welfare and Development of Most Backward Classes	60.00	100.00	66.67
23	Andhra Pradesh Fiber Grid Co. Ltd.,		600.00	*
24	Van Sanjeevani (SMC works)		75.00	*
25	Vana Vihari (Eco tourism))		10.00	*
26	Van Vihari (SMC works)		10.00	*
27	Nagara Vanam (Afforestation)		25.00	*
28	Red Sanders Protection and Anti Smuggling Task Force	16.72	47.06	181.46
29	Assistance to Andhra Pradesh Non-Resident Telugu Society (APNRT Society)	2.68	30.00	1019.40
30	Dr. Nandamuri Taraka Ramarao Arogya Seva	1000.00	1000.00	0.00
31	Andhra Pradesh Med Tech Zone		270.00	*
32	Pradhan Manthri Awas Yojana (Urban)	464.58	1827.30	293.32
33	Pradhan Manthri Awas Yojana (Grameen)	493.61	654.52	32.60
34	Land Acquisition for House Sites		575.00	*
35	Weaker Section Housing under NTR Housing Programme	345.64	385.84	11.63
36	Assistance for Livelihood Enhancement of Weavers	23.42	200.00	753.97
37	Visakhapatnam-Chennai Industrial Corridor Development Program	369.00	1168.58	216.69
38	Incentives to food processing industries	250.00	300.00	20.00
39	Industrial Infrastructure Development & MSME s		200.00	*
40	Aqua Produce Processing (Fish & Shrimp)	20.30	45.00	121.67

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
41	Information Technology. Electronics & Communications Department	98.66	461.66	367.93
42	Infrastructure Facilities for Development of IT	45.43	164.88	262.93
43	Incentives for Information Technology. Electronics & Communications Department		400.00	0.00
44	E-Pragathi		200.00	*
45	Assistance to Startups		100.00	*
46	Andhra Pradesh Electronics and Information Technology Agency (APEITA)		60.00	*
47	Buildings for ITIs	18.00	133.00	638.89
48	Chandranna Bhima		140.00	0.00
49	Development of Infrastructure Facilities for Judiciary including Gram Nyayalayas	75.00	95.00	26.67
50	Subsidy for Bank Linked Income Generated Schemes	100.00	150.00	50.00
51	Dulhan	60.00	80.00	33.33
52	Incentives to Imams and Mouzans	24.00	75.00	212.50
53	Anna Canteens		200.00	*
54	Andhra Pradesh Urban Water Supply and Septage Management Improvement Project	101.90	122.28	20.00
55	Assistance to Andhra Pradesh Township & Infrastructure Development Corporation Ltd. (APTIDCO)		1000.00	0.00
56	Atal Mission for Rejuvenation and Urban Transformation (AMRUT) Scheme	300.00	490.94	63.65
57	Assistance to Municipalities / Corporations for interest free Loans (Vaddileni Runalu)	11.02	463.08	4102.18
58	Smart Cities	450.00	800.00	77.78
59	Providing infrastructure facilities in Schedule Caste localities of ULBSs	260.00	600.00	130.77

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
60	Re-modelling Existing Sewerage System	100.00	300.00	200.00
61	Assistance to Municipal Schools for Providing Basic facilities		50.00	*
62	Construction of PR Roads(All Types)	890.18	1413.00	58.73
63	NTR Pensions	4312.09	5000.00	15.95
64	Capital Infusion to DWACRA Women Groups	1600.00	1700.00	6.25
65	Interest Free Loans to DWACRA Women (Vaddileni Runalu)	110.27	1000.00	806.86
66	Convergence Schemes under Mahatma Gandhi National Employment Guarantee Act	330.00	750.00	127.27
67	Pradhana Mantri Krishi Sinchayi Yojana (PMKSY)	198.01	420.85	112.54
68	Insurance/Pension Scheme to DWACRA Women (Anna Abhaya Hastam)	122.14	122.14	0.00
69	NTR Jalasiri	54.70	100.00	82.82
70	NTR Jalasiri for Srikakulam and Vizianagaram Districts		100.00	*
71	Sanitary Napkins to DWACRA Women		100.00	*
72	Streenidhi	50.00	100.00	100.00
73	Additional Assistance for Individual House Hold Latrines (IHHL)		100.00	0.00
74	Swachh Bharat Mission - Gramin	514.81	1450.00	181.66
75	National Rural Drinking Water Programme (NRDWP)	336.65	400.00	18.82
76	NTR Sujala Sravanthi	100.00	150.00	50.00
77	Rural Water Supply Schemes	72.72	100.00	37.51
78	Allocation to APSCL towards Subsidies	2800.00	3000.00	7.14
79	Resilient Electric Network by APEPDCL	320.00	420.00	31.25
80	Parishkara Vedika		100.00	0.00
81	Skill Development Training Programmes	259.35	300.35	15.81
82	Construction of Buildings for Revenue Department	10.00	50.00	400.00

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
83	Construction of Excise Department Buildings	10.00	50.00	400.00
84	Rashtriya Madhyamika Shiksha Abhiyan (RMSA)	330.73	1233.06	272.83
85	Nutritious Meals Programme (MDM)	223.39	252.55	13.05
86	Supply of 5 Eggs per week to each student from 1st to 10th Class		266.72	*
87	Model Schools		377.10	0.00
88	Badikosta	1.00	160.00	15900.00
89	Physical Literacy in all Schools	1.00	50.00	4900.00
90	Sanitary Napkins for Girl Students		27.00	*
91	Digital Class Rooms for High Schools		70.00	*
92	Maintenance of Toilets in all Schools		100.00	*
93	Public Libraries Department (Books and Infrastructure)	65.00	132.00	103.08
94	Digital Class Rooms for Junior Colleges		25.00	*
95	Nutritious Meals Programme for Intermediate Students		23.00	*
96	English Language Laboratories for Junior Colleges		15.00	*
97	Virtual Labs & Digital class rooms in Govt. Polytechnics		16.00	*
98	Modernisation of Laboratories in Govt. polytechnics		50.00	*
99	Construction of Buildings in Polytechnic Colleges		50.00	0.00
100	Economic Support Schemes - APSCCF Ltd.	847.15	900.95	6.35
101	Post-Matriculation Scholarships (RTF)	480.45	531.51	10.63
102	Post-Matriculation Scholarships (MTF)	225.50	230.31	2.13
103	Assistance for Construction of Buildings for Residential School Complex		250.00	0.00
104	Government Residential Centralised Schools	524.00	670.05	27.87

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
105	Chandranna Pelli Kanuka for SCs		100.00	*
106	Land Purchase Scheme for SCs		100.00	*
107	Economic Support Schemes for Tribals	242.17	250.00	3.23
108	VGF for Broadband Connectivity in Tribal areas		90.00	*
109	Marketing and Storage infrastructure in ITDAs		50.00	*
110	Providing Food Baskets for Tribals		40.00	*
111	Land Purchase Scheme for Tribals		20.00	*
112	Educational Infrastructure for Tribals	84.20	103.50	22.92
113	Rural Roads	41.00	100.00	143.90
114	Assistance to A.P.S.R.T.C. towards Reimbursement of concessions extended to various categories of citizens	121.00	290.00	139.67
115	Cost sharing with Railways for construction of New Railway Lines (50%)	84.40	100.00	18.48
116	Major District Roads	204.00	341.00	67.16
117	Assistance to State Highways under Andhra Pradesh Road Development Corporation (APRDC)	75.00	250.00	233.33
118	Grants to APSRTC for Purchase of Buses		200.00	*
119	Andhra Pradesh Irrigation and Livelihood Improvement Project Phase-II	100.00	500.00	400.00
120	Neeru Chettu	110.36	500.00	353.06
121	Polavaram Project	7009.88	9000.75	28.40
122	Special Nutrition for Malnourished Children and Mothers		360.00	*
123	Nutrition Programme	470.00	821.00	74.68
124	Anna Amrutha Hastham	53.00	195.00	267.92
125	Giri Gorumuddhalu	13.00	23.00	76.92
126	Over all women Development Child Welfare Dept	1657.00	2839.00	71.33

Major Schemes - 2018-19				
S.No.	Name of the Scheme	2017-18	2018-19	%
127	Prosthetic Aids Programme for Differently Abled	13.00	35.00	169.23
128	Economic rehabilitation for Differently Abled	9.26	30.00	223.97
129	Transgender welfare		20.00	*
130	Oldage Pensions to Artists	12.14	20.00	64.74
131	Assistance to unemployed youth	500.00	1000.00	100.00
132	Youth Welfare Schemes	275.00	305.00	10.91
133	Construction of Stadiums and Modernization of Sports facilities	195.00	200.00	2.56
134	Assistance to Sports Authority of Andhra Pradesh	15.95	100.00	526.96
135	Andhra Pradesh Adhikara Bhasha Sangham	0.28	10.22	3550.00
136	Infrastructure Assistance to Yogi Vemana University		40.00	
137	Infrastructure Assistance to Adikavi Nannaya University		40.00	
138	Infrastructure Assistance to Ambedkar University, Srikakulam		40.00	
139	Infrastructure Assistance to Rayalaseema University, Kurnool		40.00	
140	Infrastructure Assistance to Urdu University		40.00	
141	Infrastructure Assistance to Vikramasimhapuri University, Nellore		40.00	
142	Assistance to Sri Padmavathi Mahila Viswa Vidyalayam for girls Hostel infrastructure		20.00	
* indicates new scheme in Budget Estimate 2018-19				