

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

LOK SABHA
STARRED QUESTION No. *203

ANSWERED ON MONDAY, 03 AUGUST, 2026 / SHRAVANA 12, 1948 (SAKA)

Fifty-Year Interest Free Capital Loans to Andhra Pradesh under SASCI Scheme

***203. Shri P V Midhun Reddy:**

Will the Minister of **FINANCE** be pleased to state:

- (a) the present status of Andhra Pradesh's access to the fifty-year interest-free capital loans under the Scheme for Special Assistance to States for Capital Investment (SASCI);
- (b) whether any conditions imposed by the Government have delayed disbursement of these loans and whether any portion has been specifically earmarked for Amaravati capital construction, if so, the details thereof;
- (c) whether the Government is aware that Andhra Pradesh continues to face a structural infrastructure deficit arising from the division of the State's revenue-generating assets in 2014;
- (d) if so, the specific financial remediation or additional capital support being considered by the Government to address this legacy disadvantage; and
- (e) if not, the reasons therefor?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) to (e): A Statement is laid on the Table of the House

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. *203 FOR 03.08.2026 BY SHRI PV MIDHUN REDDY, REGARDING “FIFTY-YEAR INTEREST FREE CAPITAL LOANS TO ANDHRA PRADESH UNDER SASCI SCHEME”

(a) An amount of Rs. 31,005.47 crores (Thirty-One Thousand and Five crores and Forty-Seven Lakhs) has been released to the State of Andhra Pradesh under Special Assistance to States for Capital Investment (SASCI) since 2020-21. Details of year-wise releases made to the State under SASCI are given below:

Financial Year	Amount (Rs.in Crore)
2020-21	688.00
2021-22	501.79
2022-23	6,105.56
2023-24	4,090.81
2024-25	7,901.56
2025-26	8,289.61
2026-27 (Till 01.08.2026)	3,428.14
Total	31,005.47

(b) The disbursement of loans under SASCI is based on the submission of proposal by the State Government as per the scheme guidelines. If the proposal submitted by the State is complete in all respects, the loan is released to the State expeditiously.

No portion of the scheme has been specifically earmarked for Amaravati capital construction. However, the State is free to propose any project of capital nature, including projects for construction of Amaravati capital, within the amount allocated to the State under SASCI.

(c) to (e): The details of the deficit arising from the bifurcation of the State in 2014-15 and the specific financial remediation/additional capital support provided by Government of India are given below:

- i. **Revenue deficit in the year of bifurcation, i.e. FY 2014-15, of State of Andhra Pradesh:** The State Finance Accounts, published by the Accountant General (Accounts & Entitlement), Andhra Pradesh and Telangana had assessed an amount of Rs 16,078.76 crores as revenue deficit for the State of Andhra Pradesh for the year of bifurcation, i.e. 2014-15. The entire audited revenue deficit of Rs 16,078.76 crores has been released to the State of Andhra Pradesh as per the details given below:

S. No.	Financial year	Amount Released (in Rs crores)
1	2014-15	2,303.00
2	2015-16	500.00
3	2016-17	1,176.50
4	2021-22	1,638.39
5	2023-24	10,460.87
	TOTAL	16,078.76

- ii. **Post bifurcation Revenue deficit grants as recommended by the Finance Commission (FC)** - As per section 46(1) of the Andhra Pradesh Reorganization Act, 2014, a reference was made by the Ministry of Finance to the 14th FC to take into account the resources available to the successor States and make separate awards for each of the successor State. The 14th FC recommended Revenue Deficit Grant of Rs. 22,112 crores to the state of Andhra Pradesh for the period 2015-16 to 2019-20 and this entire amount has been released to the State. Further, the 15th FC recommended Revenue Deficit Grant of Rs. 36,394 crores for the period 2020-21 to 2025-26 to the State of Andhra Pradesh and this entire amount has also been released to the State Government. Year-wise details of releases are given below:

(Rs.in Crore)

Revenue Deficit Grant to the state of Andhra Pradesh for the period 2015-16 to 2019-20			
Sl. No	Financial Year	14 th FC allocation	14 th FC Release
1	2015-16	6609.00	6609.00
2	2016-17	4930.00	4930.00
3	2017-18	4430.00	4430.00
4	2018-19	3644.00	3644.00
5	2019-20	2499.00	2498.88
Total		22,112.00	22,111.88
Revenue Deficit Grant to the state of Andhra Pradesh for the period 2020-21 to 2025-26			
Sl No	Financial Year	15 th FC allocation	15 th FC Releases
1	2020-21	5897.00	5896.92
2	2021-22	17257.00	17257.00
3	2022-23	10549.00	10549.00
4	2023-24	2691.00	2691.00
5	2024-25	0.00	0.00
6	2025-26	0.00	0.00
Total		36,394.00	36,393.92
