

Issues to be placed before the Group of Ministers by Central Ministers hailing from Andhra and Rayalaseema

- 1. Adequate time to be given to the Andhra Pradesh State Assembly to consider the Bill for bifurcation of the State**
- 2. Determine the boundaries of the new State of Telangana and the residuary State of AP with reference to the electoral constituencies, judicial and statutory bodies, and other administrative units;**
 - The areas of Krishna, West Godavari and East Godavari districts which were part of Andhra till 1956 (Parts of Bhadrachalam, Munagala & Aswaraopeta areas) be restored back along with the other areas in Polavaram project after proper rehabilitation & resettlement of the affected people.
- 3. Look into the legal and administrative measures required to ensure that both the State Govts can function efficiently from Hyderabad as the common capital for 10 years**
 - a. Hyderabad (Hyderabad Metropolitan Development Area) HMDA, with three corridors via National Highways, as recommended by the Sri Krishna Commission, as UT with Assembly on the pattern of Delhi/Puducherry as it is the proud capital and lifeline of all the Telugu people.
 - b. It is very unfortunate that none of the other cities have been developed during the last 40 years either in Telangana or in Seemaandhra region except the mega city of Hyderabad. Hyderabad has become a well developed and became an international city with the following. Nearly Rs.50,000 Crs. have been spent during the past 8 yrs. alone for development of infrastructure in Hyderabad.
 - a) It is the world famous Pharma Capital manufacturing and exporting drugs to 150 countries.
 - b) It is a biotech and financial hub and has great potential for future employment
 - c) It is an IT hub with various major companies employing large numbers of youth.
 - d) It is the headquarters for 456 Institutions (Central PSUs etc, Private Institutes etc.list enclosed).
 - e) World Class educational institutions are located in Hyderabad.
 - f) Most of the defence research institutions and production units are located in Hyderabad
 - g) Very sensitive nuclear and Missile Program is based in Hyderabad
 - h) Very large number of private ancillary units /industries have come in this process.
 - i) There is a large scale migration of middle class youth, entrepreneurs, personnels for service sector including vegetable vendors, skilled and semi-skilled workers in infrastructure building and in the various industries and institutions for employment.
 - j) It is reported that more than 30 lakhs people have migrated from Seemaandhra region during last 30 years and settled in Hyderabad in addition to the original migrants making it a total of nearly 35 lakhs out of around 1 crore population of Hyderabad Metropolitan city. This is corroborated by the recently concluded delimitation exercise wherein Hyderabad (HMDA) alone has gained 10 assembly seats at the cost of 12 seats in Seemaandhra region. (@2.5 lakhs population for each assembly segment makes it 25 lakhs for 10 seats).
 - k) Every student in Seemaandhra region looks to Hyderabad as his/her destination for some employment or higher qualitative learning for an assured livelihood. The perception that these facilities are not available for them after bifurcation created a sense of deception, insecurity, anguish resulting in angry protests against the bifurcation.
 - l) Recent open statements of wild threat by some leaders have given raise to feeling of insecurity, mistrust & alienation among public sector employees and private sector functionaries leading to continuous agitations for 90 days throughout Seemandhra region against bifurcation.
 - m) We can make this bifurcation acceptable if Hyderabad is made a Delhi type UT with Assembly.
 - n) This is the only practical, amicable, legal and justifiable course in order to have Hyderabad as the Common Capital. UT cadre AIS officers may not be as familiar as the AP cadre officers to resolve the points of contention amicably as has been learnt from the past experience.

- o) It is illogical, unfair and undemocratic to agree and grant whatever Telangana leaders wanted without taking into consideration, the voice & sentiments of 5 crore people and also wishes of people living in Hyderabad. Delhi type UT will placate the hurt feelings of people.
- p) It is difficult to convince and create a peaceful transition among the politically sensitive & emotional Seemaandhra population for bifurcation without this vital and legitimate requirement.

3. Take into the legal and administrative measures that may be required for transition to a new capital of the residuary State of AP

- a. To assuage the disappointment of the Seemaandhra people, Government of India needs to take the onus of building a New Capital of the residuary State, from its own funds. This would include building of a Raj Bhawan, Legislative Assembly, Legislative Council, High Court, State Secretariat, offices for the Union and State Government, residential townships etc. Infrastructure provisions with regard to Road, Rail and Air Connectivity, Energy and Water are to be ensured. Support given with a time frame in mind will accelerate the shifting of the capital of residuary state from Hyderabad. Shifting of Capital is contingent on the support extended by GoI. For this purpose, at least Rs 40,000 cr per annum may be allocated for a period of 20 years. Apportionment of Taxes needs to be properly worked out based on population for a period of 20 years.
- b. The following Public Institutions may function commonly until alternate arrangements are established.
 - Public Service Commission
 - High Court
 - AP Administrative Tribunal
 - Human Rights Commission, SC/ST commissions , Women Commission, Minorities Commission, Information Commission and other statutory bodies.

4. Look into the special needs of the backward regions and districts of the States and recommend measures

- Proper Identification of backward areas needs to be done based on established principles Identification of specific development problems such as human development indices, drinking water problems, lack of irrigation facilities, poor infrastructure, lack of industrial development etc, associated with the backward areas must be flagged so as to provide relief in a time framework.
- Formulate development plans to deal with the development problems associated with the backward areas and provide the financial support to be provided by GOI
- Special Incentives for attracting investments and other assured tax concessions on the pattern of special states and hill States for a period of at least 20 years.
- Some of the issues relating to backward districts/areas have been mentioned at point 11 in the subsequent pages.

5. Look into the issues relating to law and order, safety and security of all residents and to ensure peace and harmony in all regions and districts consequent to the formation of the State of Telangana and the residuary State of AP and the long term internal security implications arising out of creation of the two State and make suitable recommendations

- a. Protection of fundamental rights of all persons living in Hyderabad, with police force drawn from both the States. Central forces needed during the transition period.
- b. Protection of vital installations
- c. To ensure that there is no weakening of administrative capabilities to deal with communal violence or left wing extremism
- d. Financial support to the police administration in both the States to maintain their effectiveness
- e. Issues arising out of splitting of SIB and Greyhounds
- f. Coordination mechanisms between the two States, in sharing of intelligence etc.

- g. Safety and security of all the residents in Hyderabad can only be ensured through constitutionally valid mechanism of neutral Governance structure. That is making the Hyderabad (HMDA) as a Union Territory with Assembly on the pattern of Delhi. This will also ensure protection of life and property of the citizens in the light of open threats and extortion.
- h. We need to restore 14F (representation in A.P. Police Force from all districts of the undivided Andhra Pradesh, which was recently withdrawn) for ensuring functional neutrality.
- 6. Look into the Sharing of river water, irrigation resources and other natural resources (especially coal, water, oil & gas) between the two States and also inter-se with other States, including the declaration of Polavaram Irrigation Project as a National Project;**
- a. Regarding Water Resources :Water Resources is a very contentitious issue. The Tribunal award should be strictly adhered to through an enforcement mechanism which is legally binding. The rights of the lower riparian States for flood waters has to be protected as per the National Policy. A mechanism in the form of Krishna Godavari River water Management Authority is suggested to ensure equitable distribution of water and amicable settlement of issues between the two states while implementing the respective Tribunal awards.

Krishna Godavari River water Management Authority

The Authority for governing the sharing of Krishna & Godavari river waters as awarded by tribunal between the state of Telangana and the residual state, will consist of Chief Ministers, Leaders of Opposition, Ministers of Water resources, Chief Secretaries, Secretaries of Water Resources of both the states and will be chaired by the Minister for Water Resources.

- Mechanism for ensuring release of water from Rajolibanda Diversion Scheme (RDS) and Pothireddipadu for meeting the drinking water and irrigation requirements in Rayalaseema districts and other related issues arising between the Telangana and the residual state in respect of RDS and Pothireddipadu should also be included in the purview of the Authority. The 3 projects between Krishna & Godavari namely Polavaram, Dummagudem-Nagarjuna Sagar Tailpond and Kantanapally.
 - Polavaram with 80 TMC of water flowing from Godavari to Krishna river on gravity only can benefit coastal Andhra, Telangana, Rayalaseema, Karnataka, Maharashtra and Tamil Nadu making it a real project of national stature.
 - Dummagudem-Nagarjuna Sagar Tailpond LI schemes can establish the ayacut under the Nagarjuna Sagar Project by utilizing around 40 TMC of water in Khammam and Nalgonda districts of Telanagana apart from stabilizing Krishna delta.
 - Kantanapally link canal will divert 100 TMC of water from Godavari to Nagarjun Sagar which can be diverted to Rayalaseema region through Srisailam reservoir. They need to be teated together while implementing the promise of according National status with necessary administrative and fiscal provisions and be brought under the Authority.
 - AVR Handri Neeva Srujala Sravanti, Galeru – Nagari and TB flood flow canal be completed in a time bound manner with assured water. This also needs to be brought under the Authority.
 - Project Anantha in Ananthpur district needs expeditious implementation.
 - Nagarajuna Sagar and Srisailam are on the border; Majority of the irrigated area in the residual State. These two dams need to be under the control of the residuary State of Andhra Pradesh.
- b. Regarding coal allocation, it is submitted that Andhra Pradesh Government owns 51% shares of SIngareni Collieres limited. The company has been developed with equity contributions from the united Andhra Pradesh state and hence is owned in proportion to the population. Therefore, the shares of AP Govt have to be given in proportion to the population in both the regions i.e; 60:40, along with other natural resources Telangana will be entitled to royalty on all the mines located in the region.

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- c. Regarding gas allocation, it is submitted that we need to ensure the availability of gas to the existing gas power plants built with lot of investment. After meeting the commitments, the available gas could be shared with Telangana on an equitable basis in proportion to the population and the the principle of ready to use situation. As in the case of Coal, the residual state of Andhra Pradesh is entitled on royalty on the gas and other natural resources like mines etc.

7. Look into the issues related to power generation, transmission and distribution between the two States

- Capacity allocation of power plant should be done based on some broad principles
- a) Projects exclusively lying in separate areas of Telangana and Residual A.P. :
 - 1) Thermal & Hydro:
Existing APGENCO thermal & hydel power stations should be allocated based on the geographical locations only.
For eg: the capacity of the existing APGENCO thermal power is 56.41% (2873 MW) in seema Andhra and 43.59% (2220 MW) in Telangana. Similarly the hydel power (excluding Hyder Power from Srisaillam and Nagarjuna Sagar Projets) is 976MW in Seemaandhra area and 595 MW in Telangana area.
- b) Projects lying on the junction of the proposed two states:
There are two main hydel sources on the border of the two regions , namely Srisaillam(1670 MW) & Nagarjuna Sagar (815 MW) amounting to 2485 MW. This power should be shared in the ration of 60:40 between the two regions.
- c) Allocation from Central government shall be shared in the ratio of 60:40 between the two States.
- d) To match the 1200 MW new thermal power project coming up in Adilabad (Telangana) a separate new thermal 1800 MW capacity will have to be developed in Seemaandhra region by Central Government to meet the future requirements.

8. Issues relating to the transmission and distribution of power between the two States Look into the issues arising on account of distribution of asset, public finance, public corporations and liabilities thereof between the two States

- The distribution of asset, public finance, public corporations and liabilities between the two States must be based on the assessed value (market) of the assets on the population basis.

9. Look into the issues relating to the distribution of the employees in the subordinate as well as All India Services between the two States

- Study the established principles and also the nature of litigation that arose in the newly formed States of Chhattisgarh, Jharkhand and Uttarakhand and find measures for ensuring litigation free distribution of employees.
- Invariably option of the employees may be basic criteria.
- As regards All India Services, a common cadre may be maintained during the transition.

10. Look into the issues arising out of the Presidential Order issued under Article 371 D of the Constitution consequent to the bifurcation

- Please obtain a sound legal opinion on the issue to avoid any embarrasment so that everybody is binding on the decision.

Rehabilitation

11. Examine any other matter that may arise on account of the bifurcation of the State of AP and make suitable recommendations

- a. Education & Training :** We have to ensure that students from both the States have equal access to all the educational and training institutes including the Institutions of Higher learning such as Central University of Hyderabad, NIT Warangal, IIT Medak, Medical colleges for PG courses and other institutions (status quo to be maintained) till such facilities are developed in Seemandhra region.
- b. Road Connectivity :** We have to create a proper road connectivity within the residual state of Andhra Pradesh and also between the capitals of the State by:
- Building an 8 lane highway from Itchapuram in Srikakulam district to Ananthapur connecting Bangalore on one side and through Nellore and Chittoore connecting Chennai with a 'Y' junction at Guntur on the other.
 - Strengthening Guntur-Hyderabad highway apart from the Vijayawada – Hyderabad National Highway and other important highways.
 - Bangalore – Hyderabad National Highway be made eight lane for the benefit of backward regions of Telangana and Rayalaseema.
 - The coastal national highway corridor from Visakhapatnam to Nellore be expedited.
- c. Railway Connectivity :** Govt of India should expedite the following railway projects:
- a) Nadikudi- Srikalahasthi new railway line - a nationally important project as an alternative route to link Northern & Southern States.(This project has highest RoR).
 - b) Kadapa- Bengaluru railway line.
 - c) Rajampet- Krishnapatnam port railway line.
 - d) doubling of Guntakal- Guntur, Guntur–Nadikudi, Vijayawada- Guntur and Tenali-Repalle railway lines.
 - e) A line connecting Kakinada- Kotipalli-Narsapuram-Machalipatnam -Nizampatnam-Vadarevu – Ramayapatnam and Duggarajapatnam be sanctioned and completed expeditiously.
 - f) Expedite the construction of the 3rd line between Vishakapatnam and Chennai.
 - g) New railway division at Tirupati.
 - h) New Railway wagon/coach factory at Bitragunta in Nellore district
 - i) Separate Railway Zone at Vijayawada / Visakhapatnam, comprising 5 Divisions namely Waltair, Vijayawada, Guntur, Guntakal and a new Division at Tirupati.
 - j) Kovvur-Bhadrachalam new line to be expedited.
- d. Air Connectivity :** Govt of India should expedite the following projects:
1. International airport at Vijayawada.
 2. Strengthening of the two existing International Airports at Tirupati and Visakhapatnam and transferring the ownership from defence to Civil Aviation.
 3. Strengthen and support the existing airport at Rajamundhry.
 4. Set up new airports at Kadapa, Nellore and Guntur.
- e. Port Connectivity :** Govt of India should undertake development of :
- Three new major ports, namely, Vadarevu Port and Ramayapatnam in Prakasam district and Nizamapatnam Port in Guntur district be established
 - Existing port facilities at Kakinada, Machillipatnam and Vishakhanapatnam
- f. Inland Water Transport:** National Waterways Project 4 from Kakinada to Puducherry via Chennai on Buckingham Canal to be sanctioned.
- g. Other Infrastructure & Institutional Support :** The Central Government should support the residuary State of AP to establish the following new institutions, organizations and infrastructure facilities which should be spread equitably in all the districts.
1. Metro railway for the proposed Capital region including a separate metro for Vishakapatnam & VGTMUDA (Vijayawada-Guntur-Gannavaram) region.
 2. IIT
 3. IIM

4. Central Universities / TIFR
5. Integrated Central Agriculture University
6. IITs
7. IISER
8. NALSAR
9. National University of Juridical Sciences.
10. Petroleum University in Tallarevu (Hub of KG basin) in East Godavari Dist.
11. AIIMS like Institute / ESI Hospital
12. National Institute for Physiotherapy
13. Branches of ICMR like National Institute of Nutrition
14. New institutions & research centres relating to agriculture, horticulture, sericulture, floriculture, fisheries, dairying & veterinary sciences.
15. New institutions & research centres relating to medical sciences like Cancer Research Centre, TB, Malaria and HIV/AIDS, Cardiology and Neurology.
16. New institutions & research centres of space and nuclear science.
17. Regional centres of All India Services, Central Services, subordinate services & other related research centres.
18. Regional centres of EFLU
19. National Centre for Promotion of Telugu as a classical language.
20. National Academy of Construction & Infrastructure Development.
21. Regional centres of all major embassies & high commissions as most of the telugu NRI hail from seemaandhra region.
22. Establishment of Center for Disaster Management.
23. Defence related institutes & industries.
24. National Institute of Design/ NIFT / IIFT
25. SEZ covering Kurnool and Anantpur districts
26. Sainik School covering Kurnool and Anantpur districts
27. Expeditious completion of firing range in Ananthpur district
28. Textile and Apparel Parks for the benefit of weaving community, wherever feasible
29. Special Development Councils for Rayalaseema region, North Coastal Andhra Pradesh region and for Tribal Development must be constituted under the Chairmanship of Chief Minister or Dy.Chief Minister to address their special needs.
30. Industrial zone in mining rich Kadapa area including a Steel Plant by SAIL,
31. International religious tourist zone around Tirupati in Chittoor District, enhancing the capacity of Mannavaram plant (NTPC – BHEL joint venture) to 10,000 cr.,
32. Expanding the coastal SEZ Complex in Nellore area and speedy implementation of International leather park,
33. IFFCO project in Nellore district be restarted
34. Agricultural University in Bapatla (by upgrading the college).
35. Development and Expansion of Air Force base at Bapatla in Guntur District
36. Work on Coastguard Station at Nizamapatnam in Guntur Dt. be expedited.
37. Oil refinery between the future ports of Nizamapatnam and Vadarevu
38. Work on the oil refinery in PCPIR Petro Chemical corridor must be expedited.
39. Establishing a gas grid to supply natural gas for the fertiliser units in/around the ports/agro based industries in the coastal regions,
40. Coconut based industrial corridor including Research Centre in Konaseema region
41. Setting up of Maritime Board for optimum utilization of coast line and construction of dedicated fishing harbours for the fishing community.
42. Balancing reservoirs for Krishna and Godavari rivers be constructed to save water from going into the sea.
43. IT and Film Industry based corridor around the port city of Vishakhapatnam,
44. Information Technology & Investment Region (ITIR) with a FAB facility at Visakhapatnam & Ananthapur.
45. Innovation University at Visakhapatnam

46. Special backward regions development package and industrial zone covering Vijayanagaram and Srikakulam Districts with a focus on export oriented NTFP (Non Timber Forest Produce) and jute, coconut and cashew based industries.
47. High Court at the Capital region and two Benches of High Court at Kurnool and Visakhapatnam. Bench of Supreme Court in the residual state of A.P.
48. Special assistance for Sports infrastructure & tourism development.
49. Establishing food processing & food parks including cold storage chain facilities.
50. Regional Centre of the National Skill Development Council to be established to impart special skills to the educated youth especially from disadvantageous sections for their assured employment and for enhancing the entrepreneurship.

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