

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE**

**LOK SABHA  
UNSTARRED QUESTION NO. 842**

TO BE ANSWERED Friday, December 14, 2018/Agrahayana 23, 1940 (Saka)

**Funds to Andhra Pradesh**

**842. SHRI M. MURALI MOHAN:**

Will the Minister of FINANCE be pleased to state:-

- (a) the details of total funds released/ to be released to Andhra Pradesh (AP) as special assistance including for construction of capital city, revenue deficit, grant for backward district development including funds for educational premier institutions like AIIMS, Gijana University, Tribal University, Central University, IITs/ IIM/IISER, Petroleum University etc. and development of State under various heads as promised in AP Reorganisation Act during the last three years;
- (b) the reasons for taking back the funds disbursed as special package for backward areas; and
- (c) the details of funds released to the Andhra Pradesh also under Fourteenth Finance Commission?

**ANSWER**

**MINISTER OF STATE FOR FINANCE  
(SHRI P. RADHAKRISHNAN )**

(a): The details of total funds released to the Successor State of Andhra Pradesh as available with this Ministry under the Andhra Pradesh Re-organisation Act, 2014 are enclosed in Annexure-A & B.

(b): In order to sanction the funds to Government of the Successor State of Andhra Pradesh (GoAP) from Demand No.40 (Transfer to States), the releases are based on the recommendations of the NITI Aayog after checking the Utilization Certificates (UCs) etc. and thereafter the approval of the competent authority is obtained. In this case all the necessary approvals were not available and inadvertently the amount of Rs.350 crore was released and then withdrawn. The release has not yet materialized.

(c): Details of the funds released to the Successor State of Andhra Pradesh under Fourteenth Finance Commission are as follows:

**(Rs. in crore)**

<b>Sl. No.</b>	<b>Grant</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19 (As on date)</b>
1	Post Devolution Revenue Deficit grant	6609.00	4930.00	4430.00	2733.03
2	State Disaster Response Fund	330.00	346.50	363.75	458.10
3	Grants to Local Bodies (States)	1259.88	2065.53	2180.82	1152.52
4	National Disaster Response Fund (NDRF)	356.74	702.72	-	53.22
5	Devolution from the Central Pool of Taxes & Duties	21893.79	26263.88	29001.27	18598.51
	<b>Total</b>	<b>30449.41</b>	<b>34308.63</b>	<b>35975.84</b>	<b>22995.38</b>

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**Annexure-A**  
**(Rs. in crore)**

<b>Central Assistance provided under Andhra Pradesh Re-organization Act., 2014</b>							
<b>Provisions of APRA, 2014</b>	<b>Items identified for providing 'Special Assistance'</b>	<b>Releases</b>					<b>Total upto FY 2018-19</b>
		<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	
<b>Section 46(2)</b>	Resource gap	2303.00	500.00	1176.50	-	-	3979.50
<b>Section 46(2) &amp; (3) and 94 (2): special for backward areas.</b>	Development Grant for 7 backward districts of the State covering Rayalaseema and North Costal Region*	350.00	350.00	350.00	-	-	1050.00
<b>Section 6 &amp; 94 (3 &amp; 4): Central support for creation of new capital city</b>	Assistance for Capital City for Development of essential infrastructure etc.	1500.00*	550.00	450.00	-	-	2500.00
<b>Section 90(1) Polavaram Irrigation Project is hereby declared to be a National Project**</b>	Polavaram National Project on Irrigation	250.00#	600.00^	2514.70#	2000#	1400#	6764.70
<b>Total</b>		<b>4403.00</b>	<b>2000.00</b>	<b>4491.20</b>	<b>2000.00</b>	<b>1400</b>	<b>14294.20</b>
<b>Special Assistance Measures</b>							
	Repayment of loan and interest for the Externally Aided Projects (EAPs) signed and disbursed during 2015-2016 to 2019-20 by the State					15.81	15.81
<b>Grand Total</b>		<b>4403.00</b>	<b>2000.00</b>	<b>4491.20</b>	<b>2000.00</b>	<b>1415.81</b>	<b>14310.01</b>

#: Provided by Ministry of Water Resources, River Development and Ganga Rejuvenation (MoWR,RD&GR).

^: Includes grant of Rs. 200 crore released by Department of Expenditure.

\*\* : Funding of 100% of the remaining cost of irrigation component only of the project for the period starting from 01.04.2014, to the extent cost of the irrigation component on that day would be provided.

**Status of implementation of provisions of AP Reorganisation Act, 2014 in respect of Institutions given in Schedule- XIII, New Capital City and Polavaram Irrigation Project.**

<b>Education</b>		
<b>Establishment of AIIMS in Andhra Pradesh</b>	An amount of Rs. 233.88 crores has been released to the Institute.	<b>Ministry of Health and Family Welfare</b>
<b>Indian Institute of Technology (IIT)</b>	An amount of Rs. 98.29 crore has been released to the Institute.	<b>Ministry of Human Resource Development</b>
<b>Indian Institute of Information Technology (IIIT)</b>	An amount of Rs. 20.10 crore has been released to the Institute.	
<b>National Institute of Technology (NIT)</b>	An amount of Rs. 60 crore has been released to the Institute.	
<b>Indian Institute of Management (IIM)</b>	An amount of Rs.49.96 crore has been released to the Institute.	
<b>Indian Institute of Science Education and Research (IISER)</b>	An amount of Rs. 64 crore has been released to the Institute.	
<b>Central University (CU), Andhra Pradesh</b>	Cabinet has given its in-principle approval on 16/05/2018 for establishing a Central University in Janthaluru Village, Anantpur District.	
<b>Tribal University each in Andhra Pradesh &amp; Telangana</b>	For Andhra Pradesh, the Site Selection Committee has finalized the site offered by the State Government in Vizianagaram District.	
<b>An Agricultural University shall be established in the successor State of Andhra Pradesh.</b>	An amount of Rs. 135 crore has been released for establishment of the State Agricultural University.	<b>Ministry of Agriculture and Farmer's Welfare</b>
<b>Indian Institute of Petroleum and Energy (IIPe)</b>	An amount of Rs. 33 cr has been released by the Central Govt. and Rs. 199.4 cr has been received from the Oil Public Sector Undertakings.	<b>Ministry of Petroleum &amp; Natural Gas</b>
<b>Greenfield petrochemical complex at Kakinada</b>	An MoU has been signed between Government of Andhra Pradesh, GAIL & HPCL for the petrochemical complex at PCPIR at Kakinada, Andhra Pradesh with a complex capacity of 1000 KTPA. Detailed feasibility was completed by Engineer India Ltd. Financial Appraisal was done by SBI CAPS. Market study for ethylene and propylene derivatives has been completed. About 2000 acres for Petrochemical Complex and 150 acres for township have been earmarked in Kakinada SEZ as per confirmation from Govt. of Andhra Pradesh. The State of Andhra Pradesh (AP) has been informed that being a capital intensive project, VGF will have to be borne by the State itself.	
<b>Development of a new major port at Duggirajapatnam</b>	NITI Aayog has brought out that the project will not be viable due to strong competition from the nearby ports. However, Ministry of Shipping has constituted an Expert Committee to examine the proposal for a Major Port in	<b>Ministry of Shipping</b>

	Andhra Pradesh and recommend further course of action in the matter.	
<b>Establishing a Vizag-Chennai industrial corridor along the lines of Delhi-Mumbai Industrial Corridor</b>	Asian Development Bank (ADB) who had been getting a feasibility study done in respect of East Coast Economic Corridor (ECEC) took up the study of Vizag Chennai Industrial Corridor (VCIC) as the phase-I of ECEC. In terms of APR Act, 2014, ADB team has completed the feasibility study of VCIC and also submitted its final report on Conceptual Development Plan (CDP) of VCIC within the prescribed time period. Further, the master planning of identified nodes under CDP is in progress.	<b>Department of Industrial Policy and Promotion</b>
<b>Examine the feasibility of expanding the existing Visakhapatnam, Vijayawada and Tirupati Airports to International Standards</b>	In view of land constraints at the existing civil enclave at Visakhapatnam, in-principle approval for development of a Greenfield Airport at Bhogapuram in Vizianagram district Visakhapatnam has been granted. Further, the airports at Vijayawada and Tirupati have also been declared as international airports.	<b>Civil aviation</b>
<b>Establishment of a new Railway Zone</b>	Matter of establishment of new Railway Zone in the successor State of Andhra Pradesh is under examination in the Ministry of Railways.	<b>Ministry of Railway</b>
<b>Feasibility of Metro Rail facility in Vishakhapatnam and Vijayawada-Guntur-Tenali Metropolitan Urban Development Authority</b>	Govt. of Andhra Pradesh had submitted the Detailed Project Report (DPR) in respect of Vijayawada and Visakhapatnam Metro Rail Projects. The State Govt. has been requested to re-examine the proposals in the light of Metro Rail Policy, 2017 and align the same with the provisions of this policy before submitting the same for financial assistance.	<b>Ministry of Urban Development</b>
<b>National Institute of Disaster Management, Andhra Pradesh</b>	Govt. of India has approved the establishment of National Institute of Disaster Management (Southern Campus) in Andhra Pradesh at a total cost of Rs.70.87 crore. Southern Campus became operational on 17.08.2016. The foundation stone of Southern Campus of NIDM at the site at Kondapavuluru Village, Ganavaram Mandal, Krishna District, Andhra Pradesh has been laid by Hon'ble Vice-President of India on 22/05/2018.	<b>Ministry of Home Affairs</b>
<b>Other Provisions</b>		
<b>Polavaram Irrigation Project.</b>	Section 90 of the APR Act inter-alia, provides that Polavaram project would be a national project and the Central Government shall execute the Polavaram Project and obtain all requisite clearance including environmental, forest and rehabilitation and resettlement norms. For this purpose Polavaram Project Authority (PPA) and Governing Body of Polavaram Project Authority have been constituted vide Ministry of Water Resource's notification dated 28.05.2014. The PPA has started functioning from January 2015. Against the irrigation component of Rs. 7,158.53 crores (at 2011 cost index) an amount of Rs. 6764.16 has been released; only one bill amounting to Rs. 393.51 crores submitted by Polavaram Project Authority (PPA) is pending for payment. It has further been decided to provide 100% of the remaining cost of irrigation component of the project for the period starting from 01.04.2014, to the extent of the cost of irrigation component on that date.	<b>Ministry of Water Resources, RD &amp; GR</b>

<p><b>Replication of State of the Art Greyhound Training Centre.</b></p>	<p>A Committee was constituted on 12.09.2016 under the Chairmanship of AS (LWE), MHA for examining the proposal submitted by Andhra Pradesh Government for replication of State of Art Greyhound Training Centre in the State of Andhra Pradesh, as per Section 9 of the APR Act, 2014. The Committee recommended the Central assistance of Rs. 219.16 crore to the Govt. of Andhra Pradesh for this purpose. Rs. 7.0 crore has so far been released to Government of Andhra Pradesh.</p>	<p><b>Ministry of Home Affairs</b></p>
<p><b>Rapid rail and road connectivity from the new capital of the successor State of Andhra Pradesh to Hyderabad and other important cities of Telangana.</b></p>	<p>Zonal Railway has submitted revised DPR on 09.07.2018.</p>	<p><b>Ministry of Road Transport &amp; Highways</b></p>