## GOVERNMENT OF INDIA MINISTRY OF HOME AFFAIRS

## LOK SABHA UNSTARRED QUESTION NO. 4548

TO BE ANSWERED ON THE  $28^{\text{TH}}$  MARCH, 2023/ CHAITRA 7, 1945 (SAKA)

**ANDHRA PRADESH REORGANISATION ACT, 2014** 

4548. SHRI KESINENI SRINIVAS:

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) the details of assurances made to Andhra Pradesh according to the provisions of the Andhra Pradesh Reorganisation Act, 2014;
- (b) the list of unfulfilled provisions and assurances which require a consensus of the Government of Andhra Pradesh and the Government of Telangana;
- (c) whether the Union Government is considering granting a Special Category Status (SCS) to Andhra Pradesh and if so, the details thereof;
- (d) whether the Government has received any proposal from the State Government since 2019 requesting the provision of SCS;
- (e) if so, the details thereof along with the relevant proposal received and the time by which the Union Government will grant SCS to Andhra Pradesh; and
- (f) the list of the provisions which remain unfulfilled by the Union Government according to the Andhra Pradesh Reorganization Act, 2014?

## **ANSWER**

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI NITYANAND RAI)

(a) to (f): A large number of provisions of APR Act, 2014 have been implemented and the remaining provisions of the APR Act, 2014 are at various stages of implementation. Some of the provisions relating to

infrastructure projects and educational institutions have long gestation period for which a time period of ten years has been prescribed in the Act.

There are some bilateral issues between Andhra Pradesh and Telangana which require mutual agreement between the two States. The approach of the Central Government has consistently been that bilateral issues can be resolved only with the cooperation of the State Governments concerned and that the Central Government acts only as facilitator for amicable settlement of the disputes in a spirit of mutual accommodation and understanding.

The Government has received requests for according Special Category Status from certain States including Andhra Pradesh. The Fourteenth Finance Commission (FFC) had not made any distinction between General Category States and Special Category States in the horizontal distribution of shareable taxes amongst the States. As per the recommendations of the FFC, the Union Government had decided to increase the share of net shareable taxes to the States from 32% earlier to 42% for the period 2015-20. The same has also been retained by the Fifteenth Finance Commission at 41% (1% adjusted on account of creation of UT of J&K) for the period 2020-21 & 2021-26. The objective has been to fill the resource gap of each

State to the extent possible through tax devolution. Also, Post-Devolution Revenue Deficit Grants have been provided to States where devolution alone could not cover the assessed gap.

The Central Government has agreed to give special assistance to the State of Andhra Pradesh to make up for the additional Central share the State might have received during 2015-16 to 2019-20, if the funding of Centrally Sponsored Schemes would have been shared at the ratio of 90:10 between the Centre and the State. The special assistance is to be provided by way of repayment of loan and interest for the Externally Aided Projects (EAPs) signed and disbursed during 2015-16 to 2019-20 by the State.

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