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Title: Need to extend the period of Special Category Status to Andhra Pradesh and take further steps for its development.

SHRI JAYADEV GALLA (GUNTUR): After reorganization, the residuary State of Andhra Pradesh stands at a disadvantageous position not only because of Hyderabad being given to Telangana but also due to various other reasons. To overcome disadvantages, the Union Government decided on 1st March, 2014 to accord Special Category Status to Andhra Pradesh for five years. The Prime Minister also assured this in the Rajya Sabha to help Andhra Pradesh come out of financial handicap. But so far no steps have been taken by the Government of India. Hence, I would request the Government of India to take following steps immediately so that Andhra Pradesh could come out of Rs.16000 crore deficit and develop industrially:

1. Special Category Status should be extended to 15 years to establish level-playing field.
2. Implement Section 46(2) of Andhra Pradesh Reorganisation Act which mandates the Government of India giving grants, incentives in the form of special development package for Rayalseema and Northern Andhra Pradesh.
3. Incentives to industries in the form of tax concessions such as service tax, income tax, excise duty be given at par with Himachal Pradesh and Uttarakhand.
4. Power has to be allocated on the basis of Gadgil formula and 85 per cent of 2650 MW of installed capacity should be given to Andhra Pradesh.
5. In view of pathetic fiscal situation and steep fall in revenue growth and additional commitment due to pay revision, as mandated by Section 46(1) of Andhra Pradesh Act, Rs.13,579 crore be given this year.
6. The Government of India assured to build new capital. It requires Rs.3 lakh crore. I request to provide sufficient funds in this year itself to start building the capital.
7. Special Development Package of Rs.15,000 crore also be given immediately.

HON. CHAIRPERSON : Shri Y.S.Subba Reddy – Not present.