Driving the Future of the State

The launch of trial production of Kia Motors at Anantapur plant is a feather in the cap of CM Chandrababu Naidu, whose efforts resulted in attracting more than Rs 41,000 Cr investments into the State.
Up above the world so high are these beautiful air balloons in vibrant colours that have etched a memory of a picturesque skyline in Andhra Pradesh. “The Araku Balloon Festival” was introduced by government of Andhra Pradesh in the year 2018 to tap the potential of the popular hill station for boosting tourism. This year, the festival kicked off on January 18. For a period of good three days, several air balloons from all over the world—Spain, Thailand, Turkey, USA, France, Netherlands, Malaysia, Australia, Germany, Japan, Belgium, Italy, Slovakia and Brazil besides India, have come together for the extravaganza at Araku Valley. Piloted by professionals, the Araku skyline made up for a great panorama with 21 balloons floating at 4500 feet above sea level, exhibiting an enthralling show. The venue was swarmed by visitors and tourists alike, owing to the extended long weekend and festival vacation. AP Tourism department made elaborate arrangements at the valley to cater to the visitors—pitched up extra tents, food courts, accommodation and coffee tours to name a few, to cash in on the event. Visitors took to social media to share their exhilarating rendezvous with the hot air balloons that made the event a grand success.
## Kia kicks off trial production at Anantapur plant

Kia Motors, the world’s eighth largest automaker, has commenced trial production at its state-of-the-art manufacturing facility in Anantapur, in the State of Andhra Pradesh.

## White Paper on State Finances and Economic Growth

## NTR Bharosa Pension Increased

## Quota for Kapus, EBCs Announced

## 90% Subsidy under Aadarana scheme

## Jindal group to develop jetties at Ramayapatnam port

## Asia Pulp and Paper comes to AP

## White Paper on Industry, Employment and Skill Development

## Work begins on Iconic ‘Kuchipudi’ bridge

## All about Chittoor

## CM lays foundation for Ramayapatnam Port

## XLRI to open new campus in Amaravati

## Happening Andhra

Various developments across the state of Andhra Pradesh.
Sops on Sankranthi

It is raining sops here in Andhra Pradesh. Even as the State made rapid strides on various development parameters, the Government led by Chief Minister N Chandrababu Naidu has embarked upon a series of welfare measures to ensure social and economic equity.

Sankranthi has turned out to be more festive than anytime in the recent past. The doubling of the pension from Rs 1,000 to Rs 2,000 for 54 lakh beneficiaries from January onwards has come as a pleasant surprise.

In another swift move, the State Cabinet also approved providing 5 percent quota for Kapus and another 5 percent to the Economically Backward Classes among the forward castes. The decision to waive life tax on auto rickshaws and light good vehicles and quarterly tax on tractors, benefiting 9.79 lakh vehicle owners, is another major relief.

The welfare measures have come at a time when the growth of various sectors in the State witnessed commendable increase following the tremendous spadework done by the Government in the four-and-a-half years.

It is a matter of pride that Andhra Pradesh is the recipient of one of the single largest Foreign Direct Investments (FDI) in a greenfield project in India in recent times. The setting up of the largest paper mill in a single site in the world by Indonesian pulp and paper giant Asia Pulp & Paper Group (APP) at Ramayapatnam is no small achievement.

In another heart-warming development that positions Andhra Pradesh as the East Coast Data Center hub for India & SE Asia, the Adani Group signed an MoU with the State to build Data Center Parks, an initiative being described as a first-of-its-kind in the world. Dugarajapatnam Port in Nellore was to be developed by the Centre under AP Reorganisation Act, which failed to materialise like many other promises. Meanwhile, the CM has now taken undertaken the construction of another port at Ramayapatnam in Prakasam district.

The world renowned XLRI School of Management, seventy years after being confined in the steel city of Jamshedpur, is now coming to Andhra Pradesh. The top-ranking business management school of international repute is establishing XLRI Amaravati for which foundation stone was laid in January.

As an appropriate celebration of Sankranthi, the quintessential Telugu festival, the State Government laid the foundation stone for Kuchipudi festival, the State Government laid the foundation stone for Kuchipudi Iconic bridge on River Krishna that connects Pavitra Sangamam with Amaravati. And to top it all, Kia Motors, the world’s eighth largest automaker, has commenced trial production at Anantapur!

May the New Year sustain and promote the prosperity and happiness of Andhra Pradesh.

Ramesh Kandula
Editor
In a move that benefits large sections of society, the State Cabinet decided to give 5% quota for Kapus and another 5% to the economically backward classes among the forward castes. A bill to this effect is expected to be tabled in the legislature during the upcoming session.

The Cabinet also resolved to pay out Rs 250 crore as advance towards compensation to the victims of the AgriGold scam and to file a memo to that effect in the High Court, under whose direction the properties of the defunct company are being auctioned.

Meanwhile, the State Government is likely to roll out Rythu Raksha scheme, for providing input assistance to farmers at the rate of Rs 10,000 per acre. It is learnt that the Government is discussing the modalities.

It also contemplated providing cellphones to all DWCRA group members and credit Rs10,000 into the bank account of each member of the thrift groups. This scheme is expected to benefit 94 lakh DWCRA members in the State.

**Tax Waiver for Auto Rikshaws**

Information and Public Relations and Rural Housing Minister Kalava Srinivasulu said the Cabinet resolved to abolish life tax paid on autorickshaws and tractors. With this, tax need not be paid except at the time of purchase of the vehicles. This will benefit 9.79 lakh owners (farmers and self-employed youth) of autorickshaws and tractors. The government would incur a loss of Rs 66.50 crore in the first year and Rs 54 Crore per annum thereafter. The Cabinet cleared the payment of Rs 2,000 per pensioner under NTR Bharosa scheme, increasing the amount from the earlier Rs 1,000 a month. This will benefit 54.61 lakh pensioners.

The Cabinet also decided to sanction Rs 60,000 per unit to 1,26,097 houses grounded without prior sanction from June 2014. It entails an expenditure of Rs 756 Crore.

The Cabinet cleared a proposal to release one instalment of DA amounting to about Rs 514 Crore to the government employees as against three pending DAs, and to empower the RDOs to verify the issues related to settlement of dotted lands. A proposal to allot 30 acres to journalists’ housing was also approved. The Cabinet resolved to set up ITIs in Achanta (West Godavari), Jaggampeta (East Godavari) and Narava (Visakhapatnam).

The Cabinet cleared promotions to 637 Armed Reserve (AR) constables and 545 AR head constables, creation of nine Registrar posts as proposed by the Registrar-General of the High Court of A.P. with effect from January 1, 2019, and formulating a policy for allotment of house sites to employees in Amaravati.

The Cabinet decided to extend the health insurance cover to the weavers with a Rs 10 Crore outlay.

The Cabinet discussed a preliminary report on Phethai cyclone which had impacted eight districts. Paddy crop was reported to be damaged in 56,024 hectares and commercial crops in 12,500 hectares. The government issued a G.O. directing the Civil Supplies Department to purchase discoloured and wet paddy. About three lakh tonnes of paddy was destroyed. The loss of grade A rice was estimated to be around Rs 594 crore and the common variety Rs 588 Crore. The government instructed the CSD to pay Rs 1,550 per tonne to the farmers. The Cabinet cleared a proposal to acquire 122.95 acres at a cost of Rs 40 lakh per acre for Machilipatnam port.
KIA KICKS OFF TRIAL PRODUCTION at Anantapur plant

The CM hoped Kia Motors launch will help attract a number of investments from other Korean companies and also from other auto sector companies.

South Korean automaker Kia Motors commenced trial production at its new 536-acre manufacturing facility in Anantapur, Andhra Pradesh. The facility will be used for producing the SP2i SUV, which is based on the Kia SP Concept first showcased at Indian Auto Expo 2018.

Kia marked the start of trial operations at the plant, in the presence of Andhra Pradesh Chief Minister N Chandrababu Naidu and Ambassador of Republic of Korea Shin Bongkil. The ceremony was also attended by Han-Woo Park, President and Chief Executive Officer (CEO) of Kia Motors India and Kookhyun Shim, Managing Director (MD) and CEO of Kia Motors India.

Kia’s new Anantapur manufacturing facility is capable of an annual production capacity of up to 3 lakh units. It is expected to create more than 3,000 direct and 7,000 indirect jobs across the state, the company claims. An investment of USD 2 billion in the facility has been made by the automaker and its vendor partners. The new facility employs the latest production technologies, with more than 300 robots automating the press, body and paint.
shops. The Chief Minister on the occasion has called on Kia Motors to advance its electric vehicle roll out schedule. He said electric mobility will be a big game changer and by advancing EV plans it will provide big boost to the emerging segment and also prove fillip to the EV manufacturing in the State.

The South Korean automotive company had recently inked a memorandum of understanding with the Andhra Pradesh Government to develop the electric mobility infrastructure. As a part of that MoU it handed over three models of Kia Motor’s Nero cars, which include EV, plug in and hybrid. The automaker also strengthened its Future Mobility Partnership with the Andhra Pradesh government by handing over a new Kia Soul EV (electric vehicle), which is part of Kia's growing portfolio of advanced and eco-friendly powertrains.

Trial production of the SP2i will enable Kia to synchronize and fine-tune the brand’s manufacturing equipments and technologies before series production commences later in 2019. The SUV is expected to bring Kia's standards for quality to the Indian market, as well as the brand’s reputation for modern design and technology. SP2i SUV is likely to be launched in India in the second half of 2019. It might be priced between Rs 10 lakh and Rs 16 lakh (ex-showroom) and will take on the likes of Hyundai Creta, Nissan Kicks, Renault Captur, Maruti Suzuki Vitara Brezza, Ford Ecosport etc.

The Anantapur manufacturing unit houses a five-acre training facility offering a basic technical course in automobile, in collaboration with the Andhra Pradesh State Skill Development Corporation, helping develop manufacturing skills among the youth. Another important aspect of the facility is safety performance during vehicle production. It is also equipped with high-end robotics and artificial intelligence technologies and uses environmentally - conscious techniques, such as 100 per cent water recycling, to fulfill the company's responsibilities for developing sustainable and mutually-beneficial production practices.

Kookhyun Shim – Managing Director and CEO of Kia Motors India commented, “Here in Anantapur, we have created one of the most technically-advanced, cost-effective and labor-efficient manufacturing facilities in the world. Today, we officially begin our journey to becoming one of the top five automakers in India by 2021, with a new model that will appeal to forward-looking and outgoing Indian buyers”.

Chief Minister Chandrababu Naidu said that the Kia plant along with its vendors are expected to offer 10,000 jobs both direct and indirect. The State is making efforts to attract more companies from the automotive sector and already Isuzu, Ashok Leyland, Hero Motocorp, Apollo Tyres among many others have invested in the State and more companies are likely to follow, he said.
White Paper on

STATE FINANCES AND ECONOMIC GROWTH
Andhra Pradesh government released a series of White Papers on the progress and development in the State during the last four and half years. The ten White Papers covered topics such as State bifurcation, State financial status and growth rate, welfare of farmers, basic infrastructure in rural and urban areas, energy and trunk infrastructure, social empowerment, human resources development, industries and employment, good governance. This White Paper on State Finances and Economic Growth highlights the challenges that the State had faced in the aftermath of bifurcation, and how Andhra Pradesh has been able to make significant strides in growth rates despite the obstacles.

Table 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Rainfall deviation from normal</th>
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<tr>
<td>2014-15</td>
<td>-37.3%</td>
</tr>
<tr>
<td>2015-16</td>
<td>-5.5%</td>
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<tr>
<td>2016-17</td>
<td>-29.9%</td>
</tr>
<tr>
<td>2017-18</td>
<td>-14.4%</td>
</tr>
<tr>
<td>2018-19 (1st June to 30th December)</td>
<td>-31.8%</td>
</tr>
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</table>

The Andhra Pradesh Reorganization Act, 2014, an Act of the Indian Parliament bifurcated the erstwhile State of Andhra Pradesh into Telangana and Andhra Pradesh, effective from June 2, 2014. Post bifurcation, the residuary State of Andhra Pradesh is the eighth largest State by area in India, comprising 13 districts with an overall population of 4.9 crore (as per Census 2011) out of which 29.6% reside in urban areas.

Economic Growth

Government of Andhra Pradesh has been striving hard to rebuild the State post bifurcation. Not only has the State got to confront the challenges arising due to un-scientific State bifurcation, but also deal with the unwillingness of Government of India even to implement the statutory provisions of AP Reorganisation Act 2014, Special Category Status and other assurances. This has made the task of rebuilding the State all the more difficult. Despite the hostile treatment and non-conducive environment, Andhra Pradesh has not derailed from the path of large scale development by resolving to overcome the challenges arising from State re-organization, taking the crisis as an opportunity and redefining our development agenda, and by putting in place an effective vision and strategy that out workable interventions to put the State economy on track in such a way that the Vision is translated into reality and there is complete transformation of our society towards ‘Prosperity with Happiness’.


District wise untapped resources have been identified under each sector and a comprehensive plan has been prepared for achieving low hanging fruits initially apart from preparing perspective plans to achieve medium/long term goals under each sector by using the available resources meticulously to sustain the economy at desired pace. Besides the above, the Government has taken up various initiatives such as i) Adoption of global best practices, ii) Continuous capacity building initiatives for all stake holders, iii) Identification of Growth Engines in each sector which contribute around 80% of GVA for focussed action, iv) Effective coordination and convergence among the departments concerned, and v) Periodical reviews and monitoring of implementation of all schemes under each sector at all levels.

All possible measures have been taken and no stone is left
unturned, not only to overcome the difficulties but to convert the crisis into opportunity and also lay solid foundation for “Sunrise Andhra Pradesh”. As a result, the State has been able to register impressive growth rates in the last four years, as indicated in Figure 1.

During the last four years, Andhra Pradesh has emerged as the best economic performer by registering an average growth of 10.52% (at constant prices) whereas All India is 7.3% and Telangana is 9.7%. At Current Prices, the State economy has significantly improved year by year from Rs.4.64 lakh crore in 2013-14 to Rs.8.04 lakh crore in 2017-18(AE). The net increase is Rs.3.4 lakh crore (73%) within a span of 4 years.

At the time of bifurcation, the population was divided in the ratio of 58.32:41.68 between AP and Telangana, but the GSDP contribution was in the ratio of 50.7:49.3. The gap between the two economies was only Rs. 12,692 crore.

The State of Andhra Pradesh lost its capital city, institutions, manufacturing centers and service sector hubs while inheriting the drought prone and cyclone hit contribution in 2017-18 is in the ratio of 52.3:47.7, with a gap of Rs. 71,216 crore (4.6%).

Table 2 illustrates the relative shares of Andhra Pradesh and Telangana in the combined economy. Andhra Pradesh has achieved faster growth rate than Telangana in spite of inheriting huge revenue deficit. This performance has been achieved despite the fact that the residuary State of Andhra Pradesh, comprising of 58.32% of the population, lost the advantages of having an established capital and a large metropolis like Hyderabad which was a driver of economic growth through job creation and revenue mobilization.

**Comparison of size of economy & share (%) of AP and Telangana at current prices**

**State Reorganisation Related Issues**

The nature of reorganization of erstwhile Andhra Pradesh was quite unique and unprecedented when one considers the unjust and unfair manner, and the undue haste with which it was carried out. Some of the issues are briefly mentioned below.

- 46% of the estimated revenue was given to Andhra Pradesh against a population of 58%. Assets have been allocated on location basis (most of which were located and thus left behind in Hyderabad), whereas liabilities have been divided on population basis.
- The pension liability of the combined State was also divided on population basis.
- The power allocation was done on consumption basis.
- Refund of taxes, a liability, was allocated on population ratio, whereas deferred tax collections, which is an asset, is given on location basis (being treated as the location of the Head Office, which are mostly in Hyderabad). This alone has caused a huge loss of about Rs. 3,800 crore to the State of Andhra Pradesh.
- The State of Andhra Pradesh lost its capital city, institutions, manufacturing centers and service sector hubs while inheriting the drought prone and cyclone hit

![GSDP Growth Rates at Constant (2011-12) Prices in last four years](image)

Table 2

(1.4%). Because of the consistent performance of AP with an average growth rate of 14.72% at current prices during last four years (2014-15 to 2017-18(AE)), the GSDP
At the time of the State’s bifurcation, the Government of India acknowledged that the fiscal, economic and social conditions of the residuary State of Andhra Pradesh will be adversely affected. However, Government of India has not fulfilled the assurances given by it. Despite the adversities that arose due to bifurcation of the State and non-cooperative attitude of the Government of India in not fulfilling the assurances and provisions of APRA 2014, the State has strived hard and improved its economic and social conditions.

### Nature Of State Economy

The economy of the residuary State of Andhra Pradesh is predominantly agrarian in nature. This is evident from the fact that the contribution of the agriculture sector which was 23% in the combined State during 2013-14, shot up to 30.2% at the time of bifurcation and has further gone up to 34.4% during 2017-18(AE). This also points to the loss of manufacturing and service sector areas due to unscientific bifurcation (Figure 2).

### Changing nature of State Economy post bifurcation

Geographically, the State is uniquely placed which makes it prone to both drought and cyclones simultaneously. Out of the 13 districts, 5 districts viz. Ananthapur, Chittoor, Kadapa, Kurnool and Prakasam, are chronically drought prone. The average annual rainfall in the State is 966 mm, two-thirds of which is received during the south-west monsoon period (June to September). The distribution of rainfall is highly uneven. Table 1 indicates the variation registered in annual rainfall since 2014-15.

Andhra Pradesh has the third largest drought prone area after Rajasthan and Karnataka. The problem of high rainfall variability is compounded by high runoff in semi-arid drought prone areas of the State. Presence of hard rock in large areas limits the scope for groundwater exploitation. Hence, the impact of droughts is extremely severe in vulnerable areas.

Though the monsoons have not been favourable in the last four years, the agriculture and allied sector has seen an average growth rate of 11%, whereas the national average growth has been 2.4%. In absolute terms, at current prices the agriculture and allied sector has significantly increased from Rs. 1.28 lakh crore during 2013-14 to Rs. 2.53 lakh crore during 2017-18(AE). The net increase of Rs. 1.25 lakh crore, almost doubled (97%), within a span of four years. This is a result of the efforts of the government focusing on agriculture and allied sectors like horticulture and aquaculture with convergence approach and effective management of natural resources leading to sustainability.

The industry sector significantly increased from Rs.1.07 lakh crore during 2013-14 to Rs.1.62 lakh crore during 2017-18(AE) at current prices. The net increase is Rs.0.55 lakh crore (51%). The government is promoting the industrial activities, attracting the investments both indigenously and abroad through creating effective eco-system leading to No.1 position in Ease of Doing Business.

The service sector significantly increased from Rs.1.90 lakh crore during 2013-14 to Rs.3.20 lakh crore during 2017-18(AE) at current prices. The net increase is Rs.1.30 lakh crore (68%). There has been a consistent growth in service sector because of shifting of administration from Hyderabad to Amaravati, boost to tourism sector, growth in industry sector due to ease of doing business, and fillip to ports and infrastructure sector. Establishing prestigious educational...
institutions viz. NIT, IIT, IIM, and IISc. would give further impetus to service sector. The Service sector which generates higher tax revenue and higher per capita income, contributes only 43.55% to the economy of Andhra Pradesh, which is considerably lower compared to other Southern states viz., Telangana (63.8%), Tamil Nadu (53.36%), Karnataka (66.27%), Kerala (64.41%) and All India average of 53.85% (Figure 3).

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<tr>
<td>AP (combined) 2004-05 Base</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>Andhra Pradesh</td>
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<td>93,903</td>
<td>1,07,276</td>
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<tr>
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<td>1,40,840</td>
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<td>86,647</td>
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**Table 3**

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<td>241967</td>
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<tr>
<td>Growth Rate</td>
<td>8.98</td>
<td>10.78</td>
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<tr>
<td>Growth Rate</td>
<td>8.37</td>
<td>9.63</td>
<td>10.35</td>
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<td>GSDP/GDP</td>
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<td>Growth Rate</td>
<td>9.2</td>
<td>10.6</td>
<td>11.07</td>
<td>11.22</td>
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**Table 4**

**Broad sector wise performance of Andhra Pradesh for the last 4 years at constant (2011-12) prices**
Sectoral Composition (%) of Southern State Economies 2017-18(AE)

The impact of change in structure of the economy towards predominantly agrarian can be seen on per capita income. As can be seen from the Table 3, the per capita income of the combined state of Andhra Pradesh was Rs.89,214 for the year 2013-14. The per capita income of 13 districts of residuary Andhra Pradesh for the same year stood at Rs.82,870 whereas it was Rs.1,12,162 for the state of Telangana, highlighting the loss of higher income generating areas to Telangana.

Per capita Income on NSDP (Rs) of Southern States and All India

In 2014-15, the PCI of Andhra Pradesh was 8.4% higher than the national PCI. In 2017-18, it is 25.9% more than the national PCI. The year on year growth rate of PCI is 13.31% in 2014-15, 14.24% in 2015-16, 15.28% in 2016-17 and 14.87% in 2017-18. In absolute terms the increase in PCI is Rs. 59,184 (71%) within the span of last four years. Despite the highest average PCI growth (14.4%) in the country during last four years, Andhra Pradesh with a per capita income of Rs 1.42 lakh continues to lag behind the other Southern Indian states, three of which have crossed the mark of Rs.1.8 lakh per capita income, amounting to a huge debilitating gap of around Rs 38,000+ per person in
Broad sector wise Half year performance for the year 2018-19 at Constant (2011-12) prices and Current prices

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<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
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<tr>
<td>Agri. &amp; Allied Sector</td>
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<td>29385</td>
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<td></td>
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<tr>
<td>Services Sector</td>
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<td></td>
<td>8.67</td>
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<td>GVA at Basic Price</td>
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<tr>
<th>Sl.No</th>
<th>Industry</th>
<th>(H1) GVA at Constant (2011-12) Prices</th>
<th>(H1) GVA at Current Prices</th>
<th>Percentage change over previous year</th>
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<td>138623</td>
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<td>Sector</td>
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<tr>
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<td>Total GVA</td>
<td>247136</td>
<td>274816</td>
<td>11.20</td>
</tr>
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</table>

Table 6

Table 7

Andhra Pradesh.

Broad sector wise performance on State Economy of AP at Constant (2011-12) prices and Current Prices for the last 4 years comparing All India are given in the table 4 & table 5 respectively (Broad sector wise Half year performance for year 2018-19 at Constant (2011-12) prices and Current prices is shown in Table 6 & 7).

Fiscal Parameters

Revenue

Despite the adversities caused by bifurcation, rainfall deficit and non-cooperative attitude of the Government of India, the State has strived hard and has made significant efforts to improve its fiscal, economic and social conditions. The increase in own tax resources and transfers from GoI are shown in the Figure 4.

Transfers from Government of India include Finance Commission grants; releases for Centrally Sponsored Schemes (CSS) - which are based on performance of the States; Specific grants such as NDRF, externally aided projects; Grants under AP Reorganisation Act, 2014 such as revenue deficit grant for 2014-15, backward areas grant, grants for capital city; and reimbursement of expenditure on Polavaram project.

Out of these, the Finance Commission grants are received by all States as per the award of Finance Commissions and it is a constitutional mandate for Government of India to fulfil. As mentioned earlier, the Government of India has not fulfilled its assurances of providing financial assistance under APRA, 2014. Therefore, the increase in flow of funds from the Centre to the State have been on account of greater effort made by the State to tap more resources under CSS. Measures have been taken to streamline the process of submission of proposals and utilisation certificates of CSS funds in a timely manner.

The tax revenue as percentage of GSDP was 6.71%, 6.32% and 6.16% as against 7.98%, 8.26% and 8.31% projected by the 14th Finance Commission during 2015-16, 2016-17 and 2017-18 respectively. This is because the State is yet to develop the tax base after losing the main hub of economic activity, Hyderabad. Since the major contribution to GSDP of residuary State is from agriculture and contribution from service sector is lower, the tax to GSDP ratio is also low (See Figure 5).

Expenditure

The aggregate revenue expenditure in the residuary State of Andhra Pradesh is increasing. The composition of the expenditure is given in the Table 8.
Composition of Total Expenditure (Rs crore)

The increase in the revenue expenditure is mainly due to shifting of the capital and offices from Hyderabad to Amaravati; revision of pay scales of employees and pensions to retired government servants from 2015-16; revision of wages of anganwadi workers, ASHAs, village assistants; increase in rates for various welfare schemes like scholarships, midday meal diet charges; loan waiver to farmers; fivefold increase in social security pensions; capital infusion to SHGs groups.

The combined State of Andhra Pradesh enacted Fiscal Responsibility and budget Management Act (FRBM) in 2005 mandating elimination of revenue deficit and limiting fiscal deficit to 3 per cent of the GSDP. These limits were adhered to till 2013-14. From 2014-15, the State could not adhere to the fiscal indicators as envisaged by the 13th and 14th Finance Commissions due to bifurcation of the State.

Revenue Deficit

The 14th FC recommended revenue deficit grant to 11 States including Andhra Pradesh. Out of the total amount of Rs.1,91,824 crore, Andhra Pradesh received Rs. 22,112 crore (11.53 %). But the actual revenue deficit has been higher as shown in Table 9.

Actual Revenue Deficit (Rs. crore)

The actual revenue deficit is substantially higher than that projected by the 14th FC.
Revenue deficit during the year 2014-15 was Rs. 16,078.76 crore (excluding the RD grant of Rs. 2,303 crore). The revenue gap in the subsequent years was on the same lines but Government of India is giving lower amounts as revenue deficit grants which has created a financial stress on the State finances.

**Fiscal Deficit**

Fiscal deficit is as indicated below.

**Fiscal Deficit (Rs. crore)**

Although the State has managed to increase its revenue receipts, GSDP growth, and capital expenditure, lot of funds are required to rebuild the newly formed State. Thus, the State has had to stretch its financial resources which led to an increase in debt and deficit in revenue and fiscal areas. Non fulfilment of commitments given by Government of India also contributed to widening of revenue and fiscal deficits (Table 10).

**Debit Position**

Andhra Pradesh is facing a peculiar situation regarding debt and liabilities. The residuary State is left with a lower revenue base but much higher commitments, resulting in the persistence of revenue deficit from 2014-15. In order to meet the deficit, the State is forced to borrow, which is the main reason for increase of debt of the State. On bifurcation of the State, the debt and liabilities also needed to be divided between Andhra and Telangana. But this has not been done fully so far. According to the AP Reorganisation Act, un-apportioned amounts are being shown against residuary State of Andhra Pradesh. As such the debt and liabilities appear much more due to inclusion of the un-apportioned amounts. The debt and liabilities of the State with and without un-apportioned amounts are given in the Table 11.

The debt to GSDP ratio for the combined State (2013-14) was within the stipulated limits of the Finance Commission. Due to bifurcation, the ratio had increased to 28.33% in 2014-15 from 22.22% in 2013-14 because a major portion of the debt has been inherited and the same is being continued.

For a State like Andhra Pradesh which is charting its own development trajectory, the exercise of financial management goes beyond the available budgetary resources. Government has ensured that borrowings by corporations are channelized into capital expenditure whose benefits will accrue in the years to come. The Government has given guarantees to corporations enabling them to borrow funds at lower interest rates for capital asset creation (Table 12).

<table>
<thead>
<tr>
<th>Year</th>
<th>Grants Recommended by 14th FC</th>
<th>Received from GoI</th>
<th>Revenue deficit as per accounts (*)</th>
<th>Actual Revenue deficit (3+4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>6,609</td>
<td>6,609</td>
<td>7,302</td>
<td>13,911</td>
</tr>
<tr>
<td>2016-17</td>
<td>4,930</td>
<td>4,930</td>
<td>17,231</td>
<td>22,161</td>
</tr>
<tr>
<td>2017-18</td>
<td>4,430</td>
<td>4,430</td>
<td>16,152</td>
<td>20,582</td>
</tr>
</tbody>
</table>

(*) After receiving RD grant from GOI

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>April to May</td>
<td>June to March</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fiscal Deficit</td>
<td>-18,041</td>
<td>-10,972</td>
<td>-20,745</td>
<td>-22,059</td>
<td>-30,908</td>
</tr>
<tr>
<td>% to GSDP</td>
<td>-2.11</td>
<td>-1.12</td>
<td>-3.98</td>
<td>-3.66</td>
<td>-4.42</td>
</tr>
</tbody>
</table>

Table 9

Table 10
### Major Achievements of Government of AP During Last Four Years

Andhra Pradesh is the first State in the country to achieve the rare distinction of implementing an ERP application through a sustained measure of process rationalization, harmonization and standardization in realizing its objectives of overall digital transformation. Andhra Pradesh Centre for Financial Systems and Services (APCFSS), the special purpose vehicle established under the administrative control of Finance Department, has enabled this path breaking achievement by successfully launching and operationalizing the Comprehensive Financial Management System (CFMS) on the SAP platform. The primary objective of CFMS is to establish a ‘single source of truth’ through an integrated system. The key foundational pillars of CFMS are – Efficiency, Effectiveness, Transparency, Accountability, Stakeholder Convenience, Enterprise Approach and Sustainability. Encompassing the wide range of processes and functions across the Public Financial Management space, CFMS is just not an IT system, software or a tool but a process driven approach for engagement in governance. The spread of CFMS covers the entire gamut of G2C, G2B, G2E and G2G services. In a nutshell, the transformation and gains that are realized and are in the process of being realized are as follows:

- **Better fiscal management** – through the inherent tie up between the budgetary and expenditure functions/processes there is an improved level of expenditure control with transparency and accountability.
- **Paradigm shifts in the functioning of treasuries**, where the need for the departmental users and public to visit the treasuries is drastically reduced thereby saving a lot of productive time, financial and human capital and free that for development priorities.
- **End to End paperless transactions** – first to submit full accounts online and reduce movement of paper, storage...

### Trends in Debt and Liabilities of the State (Rs. crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Public Debt</th>
<th>% to GSDP</th>
<th>Public Account</th>
<th>% to GSDP</th>
<th>Total Liabilities</th>
<th>% to GSDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>138,737</td>
<td>18.60</td>
<td>30,347</td>
<td>4.07</td>
<td>169,084</td>
<td>22.67</td>
</tr>
<tr>
<td>2013-14</td>
<td>156,744</td>
<td>18.36</td>
<td>32,997</td>
<td>3.86</td>
<td>189,741</td>
<td>22.22</td>
</tr>
<tr>
<td>2014-15 including un-apportioned amount</td>
<td>109,425</td>
<td>20.84</td>
<td>39,319</td>
<td>7.49</td>
<td>148,744</td>
<td>28.33</td>
</tr>
<tr>
<td>If apportioned</td>
<td>109,344</td>
<td>20.83</td>
<td>25,365</td>
<td>4.83</td>
<td>134,709</td>
<td>25.66</td>
</tr>
<tr>
<td>2015-16 including un-apportioned amount</td>
<td>124,662</td>
<td>20.77</td>
<td>44,796</td>
<td>7.46</td>
<td>169,458</td>
<td>28.23</td>
</tr>
<tr>
<td>If apportioned</td>
<td>124,581</td>
<td>20.75</td>
<td>35,008</td>
<td>5.83</td>
<td>159,589</td>
<td>26.59</td>
</tr>
<tr>
<td>2016-17 including un-apportioned amount</td>
<td>149,808</td>
<td>21.54</td>
<td>45,053</td>
<td>6.48</td>
<td>194,861</td>
<td>28.02</td>
</tr>
<tr>
<td>If apportioned</td>
<td>149,727</td>
<td>21.53</td>
<td>35,265</td>
<td>5.07</td>
<td>184,992</td>
<td>26.60</td>
</tr>
<tr>
<td>2017-18 including un-apportioned amount</td>
<td>168,791</td>
<td>21.00</td>
<td>54,915</td>
<td>6.83</td>
<td>223,706</td>
<td>27.83</td>
</tr>
<tr>
<td>If apportioned</td>
<td>168,872</td>
<td>21.01</td>
<td>47,816</td>
<td>5.95</td>
<td>216,688</td>
<td>26.96</td>
</tr>
</tbody>
</table>

Table 11
Seamless integrations – integrate within the system and across the legacy systems through a standardized approach of recording financial events, while ensuring the internal controls over transaction processing.

- Functional structured approach for all financial management functions under one umbrella for the purpose of transparency, accuracy and timeliness.
- Evolving standard data classification within CFMS and propagating the same across the other core systems to ensure transaction processing along with implementing right internal controls over data entry, simplifying the interpretation of rules, eliminating duplicate data entry and harmonizing and standardizing the processes.
- Standardization of accounting processes - Works Accounts are migrated to the Treasury mode (first state to do so end to end in the country) through dispensing of transitory accounts; dispensing with suspense accounts and streamlined judicial transactions.
- Near zero accounting of misclassifications, posting errors and elimination of the wanting vouchers epidemic.
- Ease of use - a citizen, a business, or an employee are enabled to conduct their transactions with the Government in an end to end online mode. The ease of conducting this transaction at the comfort of home or office and online through Web, mobile or a tablet is a major change.
- Introduction of Multiple modes of payment - net Banking, debit card or credit card - through a payment aggregator service enabled seamless auto reconciliation and improvement in the overall revenue realization cycles, thereby bettering the revenue forecasts for the State for better deficit management.
- Direct integration with RBI eKuber 2.0 platform enabling seamless payments to the beneficiaries across the spectrum avoiding leakages and parking of funds.
- Ability to track expenditure on all grants and schemes to the last level including in PD Accounts.
- A top down and bottom up mapping of all Offices, Positions and Relationships between them is available at
one source.

- Collation of historical and transactional data at one common source pacing the way for robust data analytics.
- Unique identity to all persons through their life cycle with GoAP.
- Validation of vendor records through Aadhar and PAN & duplicate/redundancies elimination.
- Wherever feasible, manual interventions are removed by implementing rules engines for seamless processing, like reconciliations through eKuber etc.
- Ability to track self-draws and curtail excess drawals and also control parking of funds outside government.

The Government also carried out debt swap to replace high cost loans of various corporations with low cost loans and thereby achieved reduction in expenditure on interest payments. As a result of this prudent financial exercise, saving of nearly Rs. 573 crore in interest payments per year has been achieved.

In the past four years, the Government of Andhra Pradesh has taken several measures for the welfare of the regular/contract/outsourcing/NMR/contingent employees. These include:

- A fitment of 43% of the Basic Pay was allowed for fixing the pay in the Revised Scales of Pay 2015 as against 29% recommended by the 10th Pay Revision Commission to the regular Government Employees.
- Permission has been accorded to the relevant recruiting agencies for filling up of about 29,000 vacant posts.
- Remuneration to the outsourcing employees has been enhanced.
- Remuneration of contract employees has been enhanced by 50%.
- Remuneration equivalent to the minimum of time scale in the Revised pay scales, 2015 has been extended to the Full Time/NMR/Daily Wage/Consolidated pay/Part-time employees, who are appointed before the crucial date of 25-11-1993 and working in Government Departments.
- Benefit of funeral charges (obsequies charges) of Rs.15,000/- has been extended to the deceased contract and outsourcing persons.

**Conclusion**

The economy of residuary Andhra Pradesh has inherent weaknesses. It is an agrarian economy, has a low tax base and hence suffers from revenue disability. The inheritance of huge debt due to unscientific bifurcation, non-co-operative attitude of Government of India in fulfilling assurances have further put stress on the fiscal position of the State. However, the financial impediments are being overcome by mobilising low interest finance and debt restructuring. The Government has always encouraged and embraced innovative ideas and convergence approach to achieve greater outcomes with limited resources. The vision is to increase the gross value added in the economy on a sustainable basis, develop an ecosystem for wealth creation which will lead to poverty alleviation. In order to ensure long term economic growth sustainability and wealth creation, the Government is focussed on strategic management of natural resources. Government is making all out efforts to increase water conservation by adoption of effective water management techniques, and increase availability of water for agriculture, industry and drinking through capital expenditure on major irrigation projects like Polavaram and others. Core infrastructure in villages is being developed on saturation mode including concrete roads, gram panchayat buildings, school buildings, anganwadi buildings, LED street lights, sanitation infrastructure for ODF.

Apart from effective natural resource management, the Government is equally focussed on human resource building. Despite the financial adversities, the State Government has not compromised on welfare. Upholding the principle of democratic governance, the Government is steadfast in its resolve to build its social capital by investing heavily on education, health and social welfare. The Government has embarked on the path of building a futuristic knowledge economy through introduction of digital class rooms and providing enhanced support to students by increasing scholarship amounts, dietary allowance for better nutrition and cosmetic amounts for better hygiene; as well as adopting specific measures for empowering girl child. On the health front, Government efforts are directed towards reducing out of pocket expenditure on healthcare. The Government is going ahead with implementing social welfare schemes on saturation mode. There has been a fivefold increase in social security pensions. Government has revised wages of anganwadi workers, ASHAs, village assistants. Village economy has also been strengthened through capital infusion to SHGs groups. Even in times of adversity, with dedication and commitment, the State could achieve a record double digit economic growth due to a well laid out action plan to realise the vision of being a happy, inclusive, innovative and globally competitive State and society. A plan to achieve the SDG milestones by 2022, earlier than the UN stipulated timeframe of 2030, saturating the rural infrastructure, a vision of a green economy, 100% Fibre net connectivity, building the confidence of investors for creating employment, ecosystem for skill and innovation, globally competitive cities and infrastructure, leveraging technology for real time governance are included in the strategy of being among the three best States in country by 2022 and the best State in country by 2029.
Industry and Services Sector

- Growth of Industrial and Services Sector is critical for achieving the 12-13% over all economic growth, to create employment and to increase per capita income.
- Andhra Pradesh has about 58% labor work force engaged in agriculture and related which produces about 32% share of GSDP.
- It is imperative for AP to shift excess labor engaged in agriculture to other sector of economy.
- To shift labor from agriculture, first step is to create low skill high volume jobs simultaneously in sectors like Food Processing, Basic Electronics, Apparel, Tourism and related indirect jobs.
- Share of manufacturing in AP(9.6%) is below the national average (16.7%)and need to be improved to create job.
- Advanced countries have services sector contribution as high as 75-80%.
- Share of services sector in AP is at 44% India - 54%, Telangana – 63.8%, Maharashtra: 58.5%
- Tourism sector – a GVA propeller and employment generating sector including medical, health care tourism and eco-tourism services
- Multi-pronged strategy required to focus on emerging technologies

State of Industry in June 2014 and unfulfilled commitments of Gov under AP Reorganization Act 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>AP</th>
<th>All India</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>-20.74</td>
<td>5.5</td>
</tr>
<tr>
<td>2013-14</td>
<td>-4.02</td>
<td>5.0</td>
</tr>
</tbody>
</table>
State was power deficit, with erratic power supply, leading to losses in industrial production.

Large industrial incentive backlog of Rs 2,060 crores was pending from 2010-11.

Fiscal measures and tax incentives to promote industrialization and economic growth – on the lines extended to other erstwhile Special category States, was not provided to AP post bifurcation.

Visakhapatnam – Chennai industrial corridor was facilitated through a loan, and not directly through equity and grants by Government of India as was the case for ‘Delhi-Mumbai Industrial Corridor’

Well-developed IT/ITeS sector in Hyderabad and which was a large employment generator, was left behind in Hyderabad.

Setting up of Greenfield Petrochemical Complex in AP not taken up by GoI.

Setting up of Integrated Steel plant in YSR Kadapa district was not taken up by GoI.

**Growth Scenario Post 2014**

**State Industrial and manufacturing growth-outpacing India**

**Ease of Doing Business**

<table>
<thead>
<tr>
<th>Growth rates of industrial sector (constant prices 2011-12)</th>
<th>Growth rates of manufacturing sector (constant prices 2011-12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>AP</td>
</tr>
<tr>
<td>2015-16</td>
<td>8.80%</td>
</tr>
<tr>
<td>2016-17</td>
<td>5.60%</td>
</tr>
<tr>
<td>2017-18</td>
<td>4.40%</td>
</tr>
</tbody>
</table>

- In 2015, AP was ranked 2nd behind Gujarat.
- Today, Andhra Pradesh is ranked No. 1 amongst all Indian states on ease of doing business for two consecutive years (2016 and 2017) by DIPP and World Bank.
- Single Desk Portal (SDP): Launched SDP in April 2015; Offers 69 services cutting across 19 departments.
- All industrial approvals within 21-days.
- As of 21st December 2018, a total of 33,565 approvals provided; Service level compliance of 99.85% in the last six months.

- Public Service Delivery Guarantee Act 2017: To provide time-bound delivery of 74 public services for industry.

**Business Reforms undertaken**

- GIS system for industrial land availability
- Online system for instant scrutiny of building plans
- Self-certifications for inspections (medium-risk industries)
- Third party verifications of certificates issued by departments
- On-the-spot allocation of raw materials
- Automated tools for monitoring electricity outages
- Enabling Policy Environment
- Industries: State released 12 policies including the Industrial development policy and various policies to promote focus sectors

**Increase in Budget for industrial development**

- During period 2014-19, average annual budget provided to Industries Department was Rs 1,593 crores, which is 2.25 times the average annual budget of Rs 707.58 crores during the two years prior period (2012-13 and 2013-14) in the combined State.

**Incentives released to the Industry**

- Increased budget allocation for industrial incentives from average of Rs 312 crores per annum during 2009-14, by nearly 4 times, to an average of Rs 1,218 crores from 2014-15 onwards.
- Rs 3,675 crores (28,083 claims) released towards industrial incentives.
- Out of these, Rs 1,816 crores (26,597 claims) released to MSME units.

**MSME Development**

- Dedicated policies for development of MSME sector, MSME Parks and Stressed Enterprises.
- Since 2014: 30,349 MSME units established with investment of Rs 14,292 crores and employment generated for 3.3 lakh people.
- Establishment of MSME Parks in 175 assembly constituencies; 31 MSME Parks under development across 1317.97 acres.
- MSME Credit flow: Between 2014-18, Rs 82,097 crores has been disbursed as credit to MSME sector (organized & unorganized).
Dedicated MSME Corporation set up

Investment Promotion
- Executed 1,437 MoUs with committed investment of Rs 13.35 lakh crores & committed employment 24.6 lakhs
- Investments attracted and employment

<table>
<thead>
<tr>
<th>Departments</th>
<th>No. of Projects</th>
<th>Committed Investment (in Rs. Cr.)</th>
<th>Committed Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18</td>
<td>2,622</td>
<td>15,48,743</td>
</tr>
</tbody>
</table>

Projects gone into production
- Numbers: 810
- Committed Investment - Rs 1.77 lakh crores
- Committed employment - 2.51 lakhs

Projects with Civil works under progress
- Numbers: 1,211 projects
- Committed investment - Rs 5.27 lakh crores
- Committed employment - 7.66 lakhs

Total employment picture: Employment from Large & Mega projects (2.51 lakhs), MSME (3.30 lakhs), Placements facilitated by APSSDC (1.78 lakhs), Placements facilitated by APITA (0.13 lakhs).

Marquee Investments sector-wise (includes those gone into production as well as those in pipeline)
Sector Marquee companies attracted to AP Automotive
Isuzu, Kia Motors, Apollo tyres, Ashok Leyland, Bharat Forge, Hero group.


Pharmaceuticals Hospira Healthcare, Dr. Reddy’s labs, Lupin, Laurus Labs, Aurobindo Pharma, West Pharma, Divi’s Labs and Natco Pharma.


Development of infrastructure for economic growth
- Quality power supply for industry
- Power surplus state with 24x7 reliable, affordable and quality power to industry
- Industrial power consumption almost doubled from 1,784 MU in 2014-15 to 3,321 MU in 2017-18
- Industrial Land Allotments: APIIC allotted 14,213 acres of industrial land to 1,945 units

Vizag Chennai Industrial Corridor (VCIC)
- Funded by ADB (Rs 4,170 cr); GoAP contribution (Rs 1,434 cr)
- Total 4 industrial nodes to be developed - Visakhapatnam, Srikalahasti (Chittoor), Machilipatnam (Krishna) and Donakonda (Prakasam)
- Master planning of 2 nodes – Visakhapatnam (7,680 acres) & Srikalahasti(11,000 acres) – completed
- 13 projects worth Rs 1,958 crores covering industrial infrastructure, urban infrastructure, roads and power projects are under various stages of execution
- Projects worth Rs 2,846 crores finalized Chennai – Bengaluru Industrial Corridor (CBIC)
- Total 3 industrial nodes to be developed - Krishnapatnam (Nellore), Orvakal (Kurnool) and Hindupur (Anantapur)
- Krishnapatnam node (15,975 acres) to be developed in Phase 1; Master planning is completed
- CBIC included under National Industrial Corridor Development and Implementation Trust (NICDIT)
- Industrial parks and clusters: Equitable & decentralized industrial development
- Mega food parks (Nellore, Prakasam) and Integrated food parks (Vizianagaram, Kadapa, Chittoor)
- 2 Electronics Manufacturing clusters (EMC) in Tirupati
- MSME parks in 31 assembly constituencies (out of total 175) under execution
- Orvakal Mega Industrial Hub, Kurnool (12,203 acres)
- Mega Seed Park, Kurnool (650 acres)
- Koppthry Mega Industrial Park, Kadapa (6,553 acres)
- Fintech Valley in Visakhapatnam
- Common Effluent treatment plants (CETP) under execution at Athutapuram and Naidupeta; CETPs planned in Srikalahasi South, Nakkapalli, Rambilli and Mallavalli
- Sewage Treatment plant in Tirupati

Skill Development Linked to Industries
- Mukhyamantri Yuvanestam: - Provides Rs. 1000
monthly allowance to unemployed youth; Opportunities for skill training, internships, apprenticeships, or self-employment

- Around 3.3 lakh youth have enrolled till 25th Dec 2018; Total Rs 81 crores disbursed.
- Trainings: APSSDC trained a total of 8.66 lakh youth, 7.42 Lakh - Students 77,000 - Unemployed Youth 19,000 - Entrepreneurships programs and for competitive exams 26,000 - Up Skilling
- Placements: Total of 1.78 lakh people have been placed
- APITA conducted 73 employment drives; Offers rolled out - 12,973
- International Institute of Digital Technologies (IIDT) setup in Tirupati
- State Institute of Hotel Management (SIHM) at Tirupati and Indian Institute of Tourism and Travel Management at Nellore are functional
- 4,050 trainings have been completed in courses for tourism,
- Hospitality & culinary trainings (1,230), guides (600) and cab drivers (2,220)

Service Sector - IT/ITeS and Tourism Sector Information Technology and & IT Enabled Services

The State has identified IT & Electronics as focus sectors and developed a strong vision to enable the creation of 1,00,000 IT jobs and bring in investments worth USD 2 billion. It also envisions to create 2,00,000 jobs in the electronics sector and bring in USD 5 billion investments.

- One (1) in four (4) IT professionals are from India, and among them, at least 25% of them are from Andhra Pradesh, enabling the progress of growing the IT/ Electronics sector in the State.
- In the Electronics sector, five (5) companies have started operations with a committed investment of INR 927 Cr. and a committed employment of 21,850.
- Recently announced State Start up Rankings 2018 - AP stood no. 1.
- Hosted Asia’s largest Block chain conference in 2017 and Vizag Fintech Festival in 2018

Enabling policy framework

- To achieve its vision, the State has formulated a robust policy and incentive framework, especially targeted at IT/ITeS and Electronics as focus sectors.
- Offering the best-in-class fiscal and non-fiscal incentives to businesses. GoAP has created a set of robust policies including:
  - Consolidated AP IT Policy,
  - AP Electronics Policy,
  - Designated Technology Parks (DTP) Policy,
  - Integrated Innovation & Technology (IIT) Policy,
  - Global In-house Centers (GIC) Policy,
  - AI Cloud Hub Policy,
  - AP Innovation &Startup Policy,
  - Animation Visual Effects Gaming and Comics (AVGC) Policy Marquee companies attracted to AP in IT & Electronics sector:
    - Foxconn, Celkon, Flextronics, Dixon, Reliance, TCI, Voltas

Tourism:

- Major Campaigns: (a) Let’s Vizag, (b) Konaseema Monsoon and (c) Festive AP
- Large scale Festivals conducted: (Ex - Amaravati F1H2O Grand Prix, Social Media Summit & Awards, Buddha Jayanthi Festival, Lepakshi Festival, VizagUtsav, AR Rehman live concert etc.)
- Promotion of Andhra Cuisine through culinary competitions, publications of book of recipe
- Project Sanskriti - 4 Rural Tourism hubs under development

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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourist</td>
<td>9.80</td>
<td>9.33</td>
<td>12.18</td>
<td>15.35</td>
<td>16.57</td>
<td>16.90</td>
</tr>
<tr>
<td>% Growth</td>
<td>-4.81</td>
<td>30.48</td>
<td>26.00</td>
<td>8.00</td>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>

- Tourism: Growth in tourist footfalls every year State released the AP Tourism Policy to develop AP as one of the most preferred tourist destinations.
  - Marquee companies attracted to AP - Tourism sector
Chief Minister N Chandrababu Naidu announced a huge increase in the pension amount paid to various categories of people from January 2019 onwards. From now on, every beneficiary gets Rs 2,000 a month instead of Rs 1,000 a month as pension under NTR Bharosa.

The Government of Andhra Pradesh is committed to secure dignified life to all the poor and vulnerable, particularly the old and infirm and to support their minimum needs to bring happiness in their lives. The State government’s prestigious welfare scheme, ‘NTR Bharosa Pension’ is one of its kind for the number of beneficiaries it covers and the sum of amount being disbursed.

In pursuit of this overarching goal, inspite of the challenging financial conditions, orders were issued enhancing the NTR Bharosa Pension amount from Rs.200 to Rs.1000 per month to Old Age, Widow, Weavers, Toddy Tappers and AIDS patients and from Rs.500 to Rs.1000 per month to People With Disabilities (PWD) having 40% to 79% degree of disability and Rs.1500 per month for PWDs having 80% and above degree of disability, and that the above enhanced scale of pension came into effect from 2nd October, 2014 onwards. Under the Bharosa scheme, AP government has sanctioned new pensions to 22,80,457 beneficiaries since 2014-19, making the total number of pensioners 54 lakh (including the 3.5

Monthly pensions for NTR Bharosa beneficiaries is now Rs 2,000 per person. The decision brought instant happiness for lakhs of beneficiaries.

- 54 lakh pensioners registered in the State
- AP is the only State in the country to give highest amount as pensions to beneficiaries
- Rs 14,000 Crore being spent on pensions to the old and infirm
- More security to life and more happiness to the disadvantaged and aging population of Andhra Pradesh.
lakh new applications received in Janmabhoomi programme) in the State. Across 2014-18, the State government had spent Rs 24,618.39 Crore for issuing pensions. Special measures were taken to ensure prompt payment of pension amount in respective bank accounts. With implementation of biometric system, transparency is achieved thus ruling out any discrepancies in the scheme, which was introduced by AP State government for the first time in the country.

**Double the pension**

Recently, the Chief Minister on the finale of Janmabhoomi programme announced that the pension amount of Rs 1000 has been doubled, to Rs 2000 per person with immediate effect. The decision put an instant smile on the faces of beneficiaries. From February 2019, every pensioner will get Rs 2000 in their accounts instead Rs 1000 while CM also retained their smiles by adding that Rs 1000 for the month of January will be included in the February month’s pension, making it a total of Rs 3000 for all.

**Increase of pension to physically challenged and Transgender**

Chief Minister also announced that the regular pension of Rs 1500 to beneficiaries under physically challenged and transgender categories have been increased to Rs 3000. With these renewed policy for the NTR Bharosa scheme, Andhra Pradesh has become the only State in the country to spend Rs 14000 Crore towards pensions.

**Category wise pensions to be disbursed from Feb 2019**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Citizens</td>
<td>24,22,444</td>
</tr>
<tr>
<td>Widows</td>
<td>20,13,808</td>
</tr>
<tr>
<td>Physically Challenged</td>
<td>6,41,820</td>
</tr>
<tr>
<td>Handloom weavers</td>
<td>1,07,992</td>
</tr>
<tr>
<td>Toddy Tappers</td>
<td>28,011</td>
</tr>
<tr>
<td>AIDS Patients</td>
<td>32,979</td>
</tr>
<tr>
<td>Transgender</td>
<td>1,665</td>
</tr>
<tr>
<td>Fishermen</td>
<td>45,358</td>
</tr>
<tr>
<td>Single women</td>
<td>1,12,471</td>
</tr>
<tr>
<td>Dialysis patients</td>
<td>8,044</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54,14,592</strong></td>
</tr>
</tbody>
</table>

**90% Subsidy under Aadarana scheme**

The State Cabinet decided to increase the subsidy for Aadarana scheme, under which instruments and tools to artisans are provided, from 70% to 90%. This will cost Rs 195 crores to the exchequer.

The Cabinet has decided to promote 2585 police constables (civil) to head constables and 566 head constables to Asst Sub Inspectors (civil). It will also promote 610 grade-2 language pundits and 262 PETs to school assistants. Proposal for setting up of AP fisheries and Ocean University at Bhimavaram, West Godavari district has also been approved.

Five universities in public private partnership will be set up. These are Apollo University at Murakambattu, Chittoor district, Global Digital University at Tirupati, Techno India University at Kapuluppadi, Visakhapatnam district, Anisha Rubica United World University in Intelligent Global Hub for Digital Pedagogies at Visakhapatnam, Om Sri Gayatri Viswakarma University at Ongole, Prakasam district.

The Andhra cabinet has agreed to establish Andhra Pradesh Maritime Infrastructure Development Corporation Ltd. The cabinet decided to send proposal to the Centre for encouraging zero budget natural farming at a cost of Rs 2046 cr. The cabinet also decided to sanction posts of ACB court to be set up in Rajahmundry.

The cabinet decided to encourage hybrid renewable energy projects to produce 18000 mw by 2021-22. The cabinet decided to produce 5000 mw solar power in the coming five years.
Chief Minister Chandrababu Naidu gave a fillip to the growth of the backward Prakasam district by roping in paper major Asia Pulp and Paper for the world’s largest paper plant and committing to simultaneously develop a port at Ramayapatnam. Foundation stone has been laid for Ramayapatnam port by the Chief Minister on January 9. The port, for which the State government will invest Rs 5,000 Crore in the first phase, is expected to be a game changer for the drought-prone backward district of Prakasam.

Under AP Reorganisation Act, the Centre was to come up with a port at Dugarajapatnam in Nellore district, but the proposal has not moved till date. Meanwhile, the State took initiative to build a port at Ramayapatnam.

Giving details of the proposed minor port, Director of Ports, Koya Praveen said the location was most conducive to the port-based economic development. Ramayapatnam, connected to the National Highway 16, is in close proximity to the Visakhapatnam-Chennai Industrial Corridor. The port here will be the nearest one to the landlocked Telangana state.

“The port’s development will create 25,000 direct and indirect jobs. Further, it is being developed as an inclusive model to ensure that fishermen of the region do not lose their livelihood, which is why a fishing harbour on the northern side of the port is being built,” he explained. The NIMZ (National Investment and Manufacturing Zone) in Pamarru, 60 km from Ramayapatnam, and the industrial cluster at Donakonda will be directly benefited from the port, which in turn will create more jobs and help in the socio-economic development of the district.

“It will be one of the deepwater ports in the country with a draft of -16 metres in the first phase and -20 metres in the second. It can handle mini cape capacity vessels after it is fully functional. Further, it will have 4.9 km breakwater, which will be the largest in the country. Tuticorin, at present, has the largest breakwater, which is 3.9 km in length,” he explained.

The Ramayapatnam port will be developed by the Andhra Pradesh Maritime Infrastructure Development Corporation Limited, which was officially incorporated in January. RITES under the Ministry of Railways in 2015 prepared the Techno-Economic Feasibility Report (TEFR) for the port; it has been engaged as a consultant for preparation of the detailed project report. Meanwhile, the environmental impact assessment will be done by IIT Chennai. “Investment for it will be raised with the income of three ports—Kakinada, Gangavaram and Reva. The amount will be used for the development of Ramayapatnam port for a period of 10 years and also as collateral for raising funds from banks and non-banking financial institutions,” Praveen explained.

Tenders for development will be called once the DPR is approved. The port is expected to start operations from 2020 and traffic in the first year is likely to be 20.26 MMT, which is expected to reach 138.54 MMT by 2040-41. A total of 3,500 acres will be acquired for the project. The port will have eight berths, of which five will be captive and three for commercial purposes. Asian Pulp and Paper will be allocated two berths, Jindal Steel will be given two and Ramco Cement will get one. In the first phase, the focus will be on bulk shipping, while container cargo will be introduced in the second phase.
Asia Pulp and Paper comes to AP

The world’s largest paper plant is coming to the State. Andhra Pradesh Economic Development Board (APEDB) signed a Memorandum of Understanding (MoU) with the Asia Pulp & Paper (APP) to develop a five million tonnes per annum greenfield pulp and paper plant in the state’s Prakasam district. APEDB is responsible for sustainable economic growth through trade, investments, partnerships, and collaborations in the state. Through this MoU, APP will set up a greenfield pulp and paper manufacturing unit, pulp, paper and board, subject to regulatory approvals and other requirements.

The MoU was signed by J Krishna Kishore, Chief Executive Officer, APEDB and Suresh Kilam, Executive Director, APP in the presence of Andhra Pradesh Chief Minister N Chandrababu Naidu. Speaking on the occasion, CM said, “APP’s decision to invest in Andhra Pradesh is a clear testament to our government’s efforts at attracting investments and confirms higher levels of satisfaction and confidence on our business environment, from international investors. This investment would not only create thousands of jobs and opportunities for farmers, but will help in upliftment of society, creation of better infrastructure, increased market linkages and overall development and happiness among the people of Prakasam, Nellore, Srikakulam and other areas in Andhra Pradesh.”

APP is the world’s largest paper plant based out of Jakarta, Indonesia. The company is set to be opening its workplace at Ravuru. “From this day the first phase of the project will be completed in 18 to 20 months to make this place a single largest pulp and paper manufacturing site in the world,” the CM said after holding parleys with Suresh Kilam, Executive Director, APP, and Joseph Myers, Vice-Director, APP, part of the Sinar Mas Group, one of Indonesia’s largest conglomerates.

The project is further aimed at generating an indirect employment in ancillary services, such as logistics providers for inbound and outbound transport of raw materials and finished products, maintenance providers for the plant, waste paper suppliers, chemical suppliers, converters and distributors and would ensure marked improvement across the value chain of the Indian paper industry.

In addition to Prakasam district, the project will also provide a fillip to surrounding districts such as Nellore, Guntur, Kada, and Kurnool, through sustained plantation income and improved access to education, infrastructure, transportation, healthcare among others. Andhra Pradesh was selected due to important considerations such as ease of doing business, support from the state government, availability of quality land parcels and water, proximity to raw materials, and streamlined infrastructure.

Prakasam district has a high density of wood plantation and forms synergies and linkages for the pulp and paper industry. Furthermore, Eucalyptus is extensively grown in this district, providing ready availability of raw material, according to the officials concerned. Executive Director of APP, Suresh Kilam said “As India continues to rapidly develop, demand for pulp and paper products will grow to keep pace. It is vital that we meet this demand in a sustainable and socially responsible way. In developing the Ramayapatnam mill, APP will draw heavily on our forestry expertise in Indonesia to ensure that we continue to meet all our commitments under our Forest Conservation Policy.”

Kilam added, Andhra Pradesh offers a robust pro-growth, pro-investment ecosystem with good logistical capabilities and access to sustainable pulpwood plantations.

The total investment of roughly Rs 24,000 crore ($3.5 billion) makes it one of the largest foreign direct investments (FDI) in recent times.
Adani Group sign MoU for data centre parks

In a bid to boost technology infrastructure and spread the concept of green data centres, the Andhra Pradesh government (GoAP) signed an MoU with the Adani Group to build Data Centre Parks up to 5 GW capacities in and around Visakhapatnam over the next 20 years. This project would be a first-of-its-kind 100% renewable energy powered project in the world.

The GoAP along with Adani Group will develop the hyper-scale data center market in the state, positioning Andhra as the East Coast data centre hub for India and the Southeast Asia, a statement from the government said. It will also be integrated with a cable landing station that will take advantage of the state’s long coastline to help provide the needed global connectivity and redundancy that the country needs to manage its exponential growth of data.

In line with the AP government’s IT policy and focus on promoting data centres, cloud infrastructure, and allied technology industries as well as renewable energy, the Adani Group will support the development of the digital and energy infrastructure in the state by investing over Rs 70,000 crore, over a period of 20 years, which in turn is expected to create in excess of 100,000 direct and indirect jobs.

XLRI to open new campus in Amaravati

The Xavier School of Management (XLRI) will be coming to South India by setting up at their first campus at Inavolu village in Amaravati capital region. The premier educational institution XLRI - Xavier School of Management is the latest reputed institution to come to Amaravati. Chief Minister N. Chandrababu Naidu laid the foundation for its Amaravati campus at Inavolu in Thullur mandal of Guntur district.

Speaking at the event, the Chief Minister said it was the first campus of the reputed business school in South India after the Jamshedpur and Bhubaneswar campuses.

The management of XLRI came forward to set up the Amaravati campus at an estimated cost of Rs 235 crore, for which the State government allotted 50 acres.

It would start functioning later this year at Andhra Loyola College in Vijayawada city temporarily. The Chief Minister said that the Central government was to set up 11 educational institutions of national importance as per the A.P. Reorganization Act.

The State government allotted 2,912 acres and gave Rs 132 crore for the construction of compound walls.

The CM said that XLRI, Jamshedpur has thoughtfully designed world-class infrastructure facilities and expressed happiness that XLRI has completed 70 years of grooming global business leaders. It was a matter of coincidence that XLRI was entering its platinum jubilee celebration year in 2019, he stated.

XLRI Jamshedpur Director Fr. E Abraham S. J. said laying of the foundation for its Amaravati campus was a historic occasion and that he has special gratitude to the CM and the AP government for its support.

Municipal Administration Minister P. Narayana, MLAs T. Sravan Kumar and Phillip C. Tocher, District Collector K. Sasidhar, CRDA Commissioner Cherukuri Sreedhar, and XLRI Jamshedpur Dean (Administration and Finance) Fr. Jerome Cutinha were among those present.
Chief Minister Chandrababu Naidu laid the foundation for Kuchipudi Iconic bridge across Krishna river, connecting Amaravati capital and Ibrahimpatnam on January 12. The bridge will connect Vijayawada- Hyderabad Highway with the capital city. With this, the western part of Krishna district is set for a major transformation. With rapid development in near future, the prospects of the region would be facilitated along with reducing the distance between Ibrahimpatnam and Amaravati.

At an estimated cost of Rs 1387 Crore, the iconic bridge is going to be one of the major landmarks for Amaravati. The structure is designed to attract tourists from all over the globe. The bridge is estimated to be completed within 15-18 months for public use.

Minister P Narayana later said, the bridge would be constructed as a six-lane road at a stretch of 3.2 kilometers. There will be 2.5 meters wide pavements on both sides for pedestrians. With this bridge, Amaravati will be directly connected to Hyderabad and Jagadalpur. The distance from Amaravati to those two cities will be reduced by 40 kilometers. Further, this bridge will minimise traffic problems in Vijayawada.

Speaking on the occasion, Chief Minister mentioned that Amaravati capital works worth Rs 40,000 Crore are under progress. He unveiled two pylons at the Pavitra Sangamam, confluence of river Krishna and river Godavari, to mark the occasion.

He also laid foundation for water treatment plant at Venkatayapalem village, at a cost of Rs 747 Crore. The plant will function in another 12 months. The plant will supply uninterrupted potable water to the entire capital area, round the clock.

As part of the project, two intake wells, 190 MLD capacity water treatment plant, partially underground purified water reservoir will also be built. For distribution of the water, a much elaborate system has been planned to be built. From this treatment plant, purified water will be supplied to domestic, industrial, commercial and institutional needs.
Lying on the banks of Ponnai River, Chittoor is a historic and religious city in the state of Andhra Pradesh. The prominent district in Rayalaseema region has a fare share of significance majorly for being the crown for pilgrimages. Chittoor attracts national and international devotees all through the year to the most revered pilgrim site of the country: Tirupathi Venkateswara Swamy aka Balaji. Bounded by the states of Tamil Nadu to its south and Karnataka to the west, the city is home to many religious sites and a rich producer of agricultural products. The district also shares an encouraging climate throughout the year and is sought after by tourists for a quick getaway. Chittoor is popular for producing the best Jaggery in India and is also known as the 'Mango City' because it offers diverse varieties of mangoes throughout the summer season.

Chittoor district boasts of natural beauty apart from ancient architectural temples. There are a couple of foaming waterfalls, beautiful hills and valleys, wildlife sanctuaries, and
various cultural festivals that make for major tourist attractions in Chittoor. Cascading Talakona Waterfalls, Chandragiri Fort, Sri Venkateshwara National Park, Moola Kona are some of the attractions here that can allure anyone from a mountain hiker; a historian to a spiritual pilgrim or just another corporate employee looking for a peaceful holiday. Chittoor is a perfect place for you to unwind and rejuvenate.

**Places of interest**
- Koundinya wildlife sanctuary
- Tada, Nagalapuram, Kailasakona waterfalls
- Gurramkonda fort
- Horsely Hills
- Talakona Forest and waterfalls
- Chandragiri Fort

**Temples**
There are about 43 temples in the district under the management of Endowments department. The district boasts of several temples that are thronged by people of Telugu speaking States and that of Tamilnadu. Here are a few popular temples spread across the district:
- Tirumala Tirupati Devasthanam Venkateswara temple
- Sri Kalahasti temple
- Kanipakam Vinayaka temple
- Renigunta temples
- Palamaneru Konetiraya temple
- Gudimallam Parasurameswara temple
- Ardhagiri in Aragonda village

**Chittoor transportation**
Transportation in Chittoor and to Chittoor from other parts of the State is quite accessible. There are number of regular buses run by APSRTC and frequent trains that take a halt at various locations. The nearest airport is at Tirupati.

**Accommodation**
Andhra Pradesh Tourism Department has a plethora of resorts and hotels that are nestled among the district with beautiful views for the tourists. APTDC Haritha Resorts provide great accommodation at Horsley Hills especially with upgraded facilities and satiating food.

**Koundinya wildlife sanctuary**
The only sanctuary in Andhra Pradesh with Asian Elephants, Koundinya sanctuary / elephant reserve has elephants which have returned after about 200 years looking for habitable forests. From 1983 to 1986, a sizable number of elephants began their journey from the forests of Anekal-Hosur in Tamil Nadu and Bannerghatta in Karnataka to seek alternative homes in other regions. Thirty-nine of the elephants moved to the forests of Andhra Pradesh, a state which had no elephants before. This led to the government setting up the sanctuary in December 1990. Today it is home to about 72 elephants, according to its history. The sanctuary is also close to Kalyan Revu Waterfalls and Kigal Waterfalls.

**Kailasakona Waterfalls**
Kailasanatha Kona is located in Narayanavanam Mandal, located at a height of 40 feet. The specialty of the waterfalls is that it has cascading water from throughout the year.

**Gurramkonda Fort**
Is the oldest fort in the entire district which was built by Vijayanagara kings and later came under the control of Abdul Nabi Khan, the nawab of Kadapa. The slates in the fort show that the fort, its massive fort wall and the buildings inside and the office building "Rangin Mahal" were built by Abdul Nabi Khan.

**Chandragiri Fort**
This 11th century historical fort is associated with Vijayanagara Kings but was built by Yadava Naidu Kings. Chandragiri was under the Yadava kings for three centuries until it came into the control of Vijayanagara rulers. Vijayanagara Emperor Srikrishna Devaraya was kept restricted in this fort as a prince, till his coronation at Penukonda. It is said that the King met his Queen Chinna Devi at the same fort. The Indo-sacren architecture fort is now an archaeological museum. The fort is the place where the pact of granting lands for Fort St. George to the British was signed during August 1639.

**Lord Venkateswara Temple of Tirumala**
The landmark vaishnavite temple part of the Seshachalam Hills in Tirupati is one of its kind in the entire country. Needless to say, pilgrims from across India throng the temple throughout the year and prominent personalities are often spotted at the temple, which is dedicated to the incarnation of Lord Vishnu as Venkateswara Swamy. The temple of seven hills is constructed in Dravidian architecture and is said to be constructed over a period of time starting from 300 AD. The temple is one of the eight Vishnu Swayambhu Kshetras. The Annaprasadam at the temple is not to be missed at this richest temple of the world.

**Horsley Hills**
One of a few hill stations in the State, the series of hills collectively referred to as Horsley Hills is a popular destination for tourists visiting Chittoor district. The hill station boasts of exotic flora and fauna with an enchanting climate all through the year. There is a view point behind Governor’s bungalow and a mini zoo at the height of 4230 feet. Along with wildlife of Sambar deer, wild boar and sloth bears, about 133 species of birds have been recorded from the area. A giant Eucalyptus tree, Gali Bandalu are places of interest.
Greenko to fund Energy University

Energy University being set up in Anantapur has been sanctioned 500 acres in Kuderu. Renewable energy major Greenko has expressed willingness to take up the running of the university. Former AICTE Chairman S.S. Mantha, who is an adviser to the State government, is drawing up plans with the support of JNTU Anantapur, where classes are likely to begin before the varsity gets its own campus. A total of Rs 250 crore over a five-year period has been planned as support for the Energy University.

Access to natural gas soon

Petroleum and Natural Gas Regulatory Board (PNGRB) stated that 75% of people in Andhra Pradesh will have access to natural gas through CGD networks in next two years. The PNGRB organised a roadshow in Visag to promote 10th City Gas Distribution (CGD) bidding round. During the roadshow, the officials said that the 10th round bidding envisaged covering 70% of area in the State. Gujarat, Punjab, Goa and Haryana and Union Territories of Delhi, Chandigarh, Diu and Daman and Dadra Haveli will be fully authorised for CGD networks. So far, bidding has covered East and West Godavari, Krishna, Visakhapatnam, Vizianagaram and Srikakulam districts.

Stone laid for floriculture research station

Rajahmundry MP M. Murali Mohan appealed to nursery farmers to make use of the outcome of research in floriculture which would help them reduce input costs and increase their profits. Addressing a meeting after laying the foundation stone for a regional research station of the Indian Council of Agriculture Research’s Directorate of Floriculture Research at Vemagiri, he said the station would be developed at a cost of ₹5 crore in an extent of 11 acres. It would help nursery farmers on various issues ranging from selection of new varieties to addressing challenges such as pests in nurseries. Observing that more marketing avenues would be opened for nursery farmers, the MP promised full support from the government’s side such as opening cold storage facilities.

Rajahmundry airport to get bigger

Airbus and Boeing carriers will land and take off from the Rajahmundry airport in two months as runway expansion works are nearing completion and the process for obtaining permission from the departments concerned is in progress. Construction of the 10,540-foot-long runway has already been completed along with the construction of the compound wall, black pad, parking base and overlay of the airbase. Once operations of the big carriers are commenced, the airport will be in a position to operate more flights to existing destinations such as Hyderabad, Chennai and Bengaluru, besides opening up for new routes such as Mumbai and Delhi. There is every likelihood of operating direct flights to the United Arab Emirates soon..

Dragon boat race a big draw

The Department of Tourism in association with the Swachh Nagayalanka and the Sports Authority of Andhra Pradesh conducted dragon boat race to explore the potential for water sports in Krishna district. Former Supreme Court judge Justice J. Chalameswar flagged off the race at the Nagayalanka ghat on the last day of the three-day Diviseema boat festival. Women teams also participated in the race.

Rs 10,000 each for DWCRA group members

AP State government decided to deposit Rs 10,000 for each DWCRA member under Pasupu-Kumkuma, a capital infusion scheme, in a phased manner. The exercise is aimed to be completed before the general elections and the first installment of Rs 2,500 will be credited to the beneficiaries by February 1. An amount of Rs 3,500 will be credited to each SHG member as second installment by March 8. The final phase of Rs 4,000 will be released on April 5. A total of 93, 81,118 women are identified as

‘Tallest’ NTR statue unveiled in Sattenapalli

Chief Minister N. Chandrababu Naidu unveiled a 36-ft tall bronze statue of former Chief Minister and Telugu Desam founder N.T. Rama Rao and also inaugurated two parks on the banks of NTR Sagar at Sattenapalli in Guntur district. The statue has been installed on a 40-ft high platform in the middle of the pond and provides a commanding view of the surroundings. The NTR Sagar, Vavilala Ghat and the bronze statue were built at a cost of Rs 12 crore and the area would be developed as a mini-Tank Bund on the lines of the Hussainsagar in Hyderabad, the Chief Minister said.
beneficiaries of the allowance under all categories across the State and the amount will be distributed through cheques.

**Foundation stone laid for THK unit in Sri City**

The THK India Private Limited, a subsidiary of THK Co Limited, a Japanese major engaged in manufacture of linear motion guides and equipment for transport of vehicles, performed groundbreaking ceremony in Sri City, marking the start of construction of its maiden production unit in the country. Akihiro Teramachi, president and CEO, THK Group, Ravindra Sannareddy, Founder Managing Director, Sri City, V. Ramakrishna Reddy, Deputy Chief Inspector of Factories (AP), Takashi Teramachi, Director, THK Group, and others were present during the event. Akihiro Teramachi said, “Sri City has excellent infrastructure, stable power supply and water, and above all, a trustable management team. Since our products are widely used components across various industries, we are sure, our technology will contribute to build an affluent society in India. We look forward to work hand-in-hand with Sri City and Andhra Pradesh government.”

**Girl students trained for self protection**

More than 1.40 lakh girl students studying in schools, UG and PG Colleges are trained in self-protection (girl child protection and health aspects), taken up under the initiative of ‘Kishori Vikasam’ scheme by the State Women and Child Welfare department. The first phase of the programme had imparted knowledge to 11,000 students in the welfare hostels on protection of their rights, health and hygiene, trafficking, sexual abuse, menstruation and nutrition. The second phase training took place on January 22 and 23. Women and Child Welfare Department project director K Krishna Kumari said that focus was laid on prevention of child marriages, protection and awareness of good and bad touch.

**Printing and Packing units across State**

With a budget of Rs 150 Crore, the State government has approved setting up of Printing and Packing units at three places in the State -Tirupati, Guntur and Visakhapatnam. Kala Jyothi Process Pvt Limited, one of the leading printing companies has been assigned the task. These units will provide direct employment to 400 and 800 people are estimated to benefit from indirect employment. Kala Jyothi Printers Director Alapati Ramanadh signed a MoU in connection, amid CEO of AP Economic Development Board, J Krishna Kishore and CM Chandrababu Naidu.

**Salary hike to part time junior lecturers**

The AP government passed a GO sanctioning hike to the part-time lecturers working in government junior colleges. An amount of Rs 225 will be added to the existing payment of the junior lecturers, who are working on hourly basis. Each part-time lecturer is being given an amount of Rs 150 per hour and from now on, the additional amount of Rs 225 will be included, making the payment per hour as Rs 375.

**CBIP Award to APTRANSCO**

The Central Board of Irrigation and Power (CBIP) has recognised Andhra Pradesh as the most efficient State in power management and conferred with an excellence award. The award was given away by Union Minister of Power and New and Renewable Energy, Raj Kumar Singh to APTRANSCO Managing Director Paruchuri Dinesh. CBIP president Masood Hussain and AP Irrigation Minister Devineni Umamaheswara Rao were present on the occasion.

**Happy Cities Summit-2019 from Feb 13**

The three-day event of the Happy Cities Summit- 2019 will be held at Hotel Novotel Vijayawada from February 13. The event which comprises of elaborate sessions, panel discussions, ideas forum, field visits and networking events will focus on themes- Governance, Built Environment, Natural Environment, Culture and Community, Economy and Livelihoods and Physical and Mental Well-being. The latest edition of the summit will have close engagement with city leaders, happy advisory council and a happy cities coalition, engaging with students and academia, partnership across government departments and exploring the use of cutting edge technologies as objectives.
The JSW Group signed an MoU with the Andhra Pradesh Economic Development Board (AP EDB) on the sidelines of the annual conclave of the World Economic Forum (WEF) at Davos in Switzerland for the establishment of jetty at Ramayapatnam in Prakasam district, as part of the group’s plans to expand its logistics footprint in South Asia. Jindal Group chairman Sajjan Jindal and EDB CEO J Krishna Kishore signed the MoU in the presence of Minister for Information Technology, Electronics and Communication and Panchayat Raj N Lokesh. AP Industrial Infrastructure Corporation MD Babu A, Principal Secretary (energy and infrastructure and investment) Ajay Jain and EDB representatives were present during the event.

The MoU is for setting up the jetty with an investment of Rs 1,000 Crore and build a slurry pipeline for the group’s plant at Bellary in Karnataka. This pipeline is meant to develop synergies and linkages to Prakasam district. Lokesh invited the Jindal Group to establish an integrated steel complex in Prakasam district and invest in electric mobility in the State. The Minister emphasized the State’s EV policy and invited Jindal Group to invest in electric mobility in Andhra Pradesh.

The Andhra Pradesh government has formed a special purpose vehicle, the AP Maritime Infrastructure Development Corporation Limited, to develop the Ramayapatnam port at a cost of Rs 4,240 Crore (phase-1) with eight berths. The port, proposed to be developed on a 3,092-acre site, will have a capacity of 40 million tonnes per annum.

At the Smart Logistics Summit 2018 Amaravati, the Government of Andhra Pradesh and AP EDB has rolled out a sector strategy on integrated logistics and economics efficiency with a view to fast-track movement of goods and cut transactions cost of businesses, to improve service delivery by simplifying processes and making it consumer friendly.

Speaking on the need for integrated logistics, Krishna Kishore, CEO, AP EDB emphasized that trade and manufacturing are linked with logistics, and improvement in its efficiency would help boost economic development. He further added that “high costs on logistics impact business competitiveness and the state of Andhra Pradesh leading in ease of doing business will address these logistical inadequacies”.

As the State aspires to build Logistics as the backbone of the economy with strong integration of technology, innovation and human capital, the AP EDB aims to promote investments and initiatives in integrated logistics, storage infrastructure and mobility infrastructure. This sector is the largest employer at the entry level; therefore skill development and integration of emerging technology are also covered.

Andhra Pradesh is working to develop an ecosystem which will integrate hinterland, logistics and industries to become the largest East Bound Cargo Handling State.
Pic 1: CM and Singapore Minister Eswaran at the inauguration of the Welcome Gallery on 2.6 acres land at Lingayapalem in the new capital city Amaravati.

Pic 2: Dignitaries at the inauguration of Orvakal Greenfield Airport in Kurnool district.

Pic 3: Former British Prime Minister Tony Blair at the RTG State Centre, Secretariat, Amaravati.

Pic 4: The concrete works of spillway of the prestigious Polavaram Project have entered the Guinness Book of World Records for pouring 32,315.5 cubic meters of concrete non-stop in 24 hours. The record for largest and continuous concrete pouring was also broken.

Pic 5: CM during a visit to Rajam Mandal of Srikakulam district. He announced 9 hours supply of power to agriculture sector. He also disclosed that the last installment of debt redemption will be paid soon.

Pic 6: CM inaugurated the 1,000 MW third biggest solar park developed at a cost of Rs 6,000 cr in Kurnool.

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