

# Andhra Pradesh's Master Plan for Its New Capital

## Speculation and Weak Foundations

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Amaravati, the planned new capital of Andhra Pradesh, is to be set up in a highly fertile, multi-cropped area in the Guntur–Krishna belt where the water table is just 15 to 20 feet below the surface. The Government of Andhra Pradesh has been aggressively pursuing land pooling through a series of not-too-friendly measures to acquire land for the capital which will be located in a low- to medium-risk flood area. Where the Singapore consultancy's master plan for the new city, Amaravati, falters is in not visualising the need to accommodate low-income residents and the informal sector in the new capital, and in its exaggerated projections of employment generation in the information technology sector.

As a delegation from Singapore, led by the island-state's Home Minister, S Ishwaran, submitted the master plan for the Amaravati capital city on 20 July 2015 to the Chief Minister of Andhra Pradesh (AP), N Chandrababu Naidu, computer-simulated images of the new urban mega project, the "dream capital," which looked like those on brochures of mega real estate ventures, appeared prominently in the local media. The master plan prepared by Surbana International Consultants, the urban consultancy firm from Singapore envisages the new capital city to be "the pioneer Smart City of India" with "world-class standards set forth by countries such as Singapore" (Surbana 2015: 76). The Chief Minister has been promoting this city as a "people's capital" and a "21st century city." It has been argued that such projects win legitimacy through, among others, seductive media images, and are often backed by new forms of coercion (Sheppard et al 2013).

After the bifurcation of AP into Telangana and a separate AP from 2 June 2014, Hyderabad is the joint capital for up to 10 years, by which time AP should have its own capital city. The Government of India had earlier appointed an expert committee headed by former union urban development secretary K C Sivaramakrishnan to study various alternatives on the new capital for AP. The committee submitted its report in August 2014 after consultations with different stakeholders across AP (Report of the Expert Committee 2014). Its terms of reference had included, among others, the least dislocation of the existing agriculture systems. The committee cautioned against establishing a greenfield capital and diverting fertile farmland, especially in

the Krishna–Guntur region. It recommended decentralised development and a smaller capital where government land was available.

### New Capital and Capital Region

Disregarding the recommendations of this committee, the AP government decided to locate the capital city in highly fertile, multi-cropped land in an area spread over 25 villages and four hamlets in Tullur, Tadepally and Mangalagiri mandals in Guntur District on the right bank of the Krishna river. There was no social or environment impact assessment study. Nor was there any public debate or consultation, despite claims that the government held detailed consultations with urban development experts and various public organisations before deciding on the location of the capital city.<sup>1</sup>

The AP Capital Region Development Authority Act was brought into effect on 30 December 2014 and it selected the Vijayawada–Guntur–Tenali–Mangalagiri (VGTM) area as the capital region. The Land Pooling Scheme (LPS) Rules were issued on 1 January 2015. The new capital city was named Amaravati in April 2015.<sup>2</sup> One of the major issues for those in the present AP state who opposed bifurcation was their association with Hyderabad and the perceived loss of opportunities this represented. Ever since assuming power, the AP Chief Minister has been feeding this sentiment and pledging that he will build a "world class" city that matches or even surpasses Hyderabad.

The government has aggressively pursued land pooling by a series of measures that include generating compliance by offering residential/commercial plots; heavy reliance on land speculation, coercion, blackmail and intimidation; and projecting the involvement of foreign governments through what the local people call "mind games" for taking over agricultural land.<sup>3</sup> This so-called voluntary land pooling has mainly benefited large landowners. The Land Ordinance repeatedly promulgated by the Government of India from January 2015 onwards has immensely helped the AP government in intimidating farmers. In this

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“mind game” the government exhibited a “rhetoric of urgency” to “justify the speeding up of law-making, regulations and policies to enable a new city to quickly materialise” (Datta 2015). The relevant act was passed and rules issued in less than three days, they were not made available in the local language, and deadlines were set with short time limits to pressurise farmers for speedy surrender of land before the implications were understood. Making the Singapore team submit a master plan in May 2015 and performing a *bhumi puja* (groundbreaking ceremony) on 6 June 2015 (although the foundation stone is to be laid only on 22 October 2015) were also aimed at pressurising farmers. Of the land taken so far, about 40% is known as *jareebu* (wet) land, which is adjacent to the Krishna River on the right. Considered some of the best land in the country, with water tables at 15 to 20 feet, about 120 varieties of crops are now cultivated round the year on this land.

According to the master plan, phase 1 requires 37,758 acres for a 10-year period up to 2025. The state government claims that 30,000 acres of land have already been pooled under the land-pooling arrangements.

### A Speculative City?

Analysing Bangalore’s “speculative urbanism,” Goldman argues that world-city projects “not only represent large-scale place-altering capital infusions” from outside, but also play a role in “restructuring of governance institutions for improved access to public goods and services for international capital” (2011). In AP, the Capital Region Development Authority (CRDA) is given “absolute power to acquire, sell, transfer, grant license or alienate the land” for the purpose of development or redevelopment (Suchitra 2015). A glance through the draft master plan, especially its careful projection of images, nomenclature of key areas, projection of job creation and population increase, and the backdrop of huge real estate speculation would easily enable classifying Amaravati as a speculative city. The planners from Surbarna also seem to have mastered *vastu* principles and provided an axis to channel the

positive energy from the Kanakadurga temple across the Krishna, and also followed the Vedic principle of having a *Brahmasthan* (Silent Centre)—a central open space in two decentralised modular towns. The master plan is envisaged in three phases up to 2050, which requires a total of about 1,00,000 acres (about 40,000 hectares) of land until 2050, revealing the need to further take over about 70,000 acres of multi-cropped land in coming years.

While Amaravati is envisaged to be built in an area of 217 square kilometres, the master plan covers 391.63 sq km for the long-term period up to 2050. The capital region will be 7,420 sq km. The “Seed” (this acronym is not expanded in the plan) development area will be the core city in about 17 sq km. The master plan adopts four key “place making strategies” for Amaravati—Gateway, Downtown, Government Core and Water Front.<sup>4</sup> The Gateway will “create the first impression” while entering the city. Downtown will be the commercial heart, the Government Core will house the seat of the state government, and the Water Front will have “an iconic image and skyline.” The Business District of the new city is expected to house “large corporate houses, the headquarters of banking and financial institutions,” with a “corporate hub” and a “financial hub.” There will also be a “knowledge hub,” and a “tourism/heritage/leisure hub,” along with the usual cultural centres, transport infrastructure, and so on of the like which one comes across in city master plans. All these are expected to make Amaravati a mega city.

The master plan proposes to distribute the 4.5 million people who will inhabit Amaravati by 2050 into 18 self-sustainable townships through integration of land use and transport planning. What is envisioned appears to be a highly regulated (and controlled?) city. Can such a city accommodate the urban informal sector and the poor/low-income people who migrate to the city in search of livelihood opportunities? Will Amaravati become a private city—planned, built (and even administered) by private/foreign companies/governments? The Concept Note on Smart Cities by the

Government of India specifies that most of the infrastructure in smart cities will be taken up “either as complete private investment or through PPPs” (public-private partnerships).<sup>5</sup> The private sector and foreign capital may take part in a big way in building and maintaining Amaravati. Incidentally, the expert committee includes the chief town planner of Lavasa Corporation of Maharashtra. The Lavasa paradigm of “future cities” may be accountable to only its stockholders and investors, and seems to be inspired by totalitarian city states such as Singapore and Dubai (EPW 2010).

### Speculative Projections

Where the master plan falters heavily is in its projection of huge employment generation, population increase and demand for land in the new city in the next 10–20 years. While the employment projection appears to be over-ambitious,<sup>6</sup> the population projections are very inconsistent with demographic trends in the region.

The Amaravati capital city area now has a population of 0.27 million. The current population of the CRDA region is about 5.81 million, and about half of this lives in urban centres. Surbana Consultants have estimated this to reach 10.1 million in the next 20 years. With the CRDA region divided into eight planning regions, the population is estimated to increase by 90%, with high growth projected in the central region (141.37%) in which Amaravati and Vijayawada are located. Even planning regions that are largely rural are also estimated to grow by about 69% to 86%. Given this, the only way to reach such population figures is a massive influx of people from outside. Can that happen? And is the centre being planned to accommodate such an influx, especially of low-income earners?

The draft master plan admits that the current share of AP in information technology (IT) exports, sans Hyderabad, is about 0.4% in India, and that the AP government seeks to raise this share to 5% by 2020. It may be worth noting that Visakhapatnam, which has a population of close to 2 million, is the only major city in AP that has good infrastructure

and is on the coast. Employment in the IT sector in this city is still about 17,000 or so. If the choice were to be outside Hyderabad, it is highly unlikely that IT companies would prefer Amaravati to Visakhapatnam. In the draft submitted in March 2015, the Singapore-based consultants have considered the “growth rates achieved by key capital cities such as Bengaluru and Hyderabad taking into consideration the significant economic growth anticipated” in the capital region in the next 20 years (p 91) (Table 1). It is unthinkable that this yet-to-emerge city will generate employment opportunities comparable to the two existing megacities.

**Table 1: Summary of Employment Projections**

Incremental Employment	Phase 1 (10 years)	Phase 2 (10–20 years)	Phase 3 (20–35 years)
1 Government	46,096	4,432	11,524
2 IT/ITES	51,062	58,422	1,56,542
3 Corporate complex	24,692	31,727	1,06,931
4 Financial hub	41,153	52,879	1,78,218
5 Start-up/innovation hub	6,273	18,818	2,439
6 Education hub	5,934	7,625	25,698
7 Industrial sectors	18,001	30,082	82,152
8 Indirect employment	1,58,409	1,75,550	4,84,242
Total	3,51,620	3,79,535	10,47,746

Source: Part 2 – Detailed Master Plan Report, July 2015: 24.

It is worth noting that by the time the IT sector appeared on the scene, in 1991, the Hyderabad Urban Agglomeration (HUA), spread over 778 sq km, already had huge industrial, scientific and educational sectors, and a population of 4.36 million. This went up to 5.72 million in 2001 and 7.75 million in 2011. Hyderabad attracted migrants from across undivided AP and the rest of India. To assume that Amaravati as a capital will attract 4 million migrants in the next 20 years is beyond belief.

Who will bring so many companies to Amaravati to create employment, and why? A view that the Singapore government has taken on the responsibility of bringing in companies from abroad is being propagated to show that it is just a matter of time before big companies begin descending on Amaravati (*Deccan Chronicle* 2015a). This view has also gained ground because of apprehensions that the land taken from farmers and other agencies may ultimately end up in the hands of foreign companies after the Capital City Development and Management Company (CCDMC) is set up

with the power to allot land on 99-year leases to joint ventures or private parties in Amaravati.<sup>7</sup>

Even at the ground level, local geographical conditions seem to pose several challenges to the building of this city. The master plan admits that a large amount of the Amaravati capital city land falls in a “medium to low flood risk zone” and talks of designing an extensive “water-networked city.” Is it that simple? It seems that about 10,000 acres of land will have to be raised by 2 metres at an estimated cost of about Rs 1,500 crore to protect Amaravati from floods in the Krishna River and Kondaveeti Vaagu, a rivulet (Reddem 2015). Building high rises on a river flood plain is a costly affair because of additional foundation and water-proofing requirements. The opposite bank being hilly and already developed, one would expect a high water table on this side. As the location is just upstream of the Prakasam Barrage, the rise of pollutants in the water is a possibility. Gradu-

ally, as the new city grows, urban flooding may become a reality, especially when the river is swollen, as architect Shankar Narayan points out (Suchitra 2015). It has also been reported that the “Singapore government or the private consultants did not conduct any technical studies except for some field visits that lasted a few hours. Baseline studies to collect critical parameters were not carried out” (Prasad 2015). That the CRDA is now planning to conduct soil tests in the Seed Capital area for suitability to build skyscrapers confirms this view (*Deccan Chronicle* 2015b).

**Conclusions**

The Singapore companies working on the master plan seem to be seeking 3,000 acres of land in the capital region (Sivaramakrishnan 2015). In view of this, the Chief Minister’s claim that they are providing a free service is highly suspect as the memorandum of understanding (MOU) signed with Singapore is not available in the public domain. (It looks like it has not been provided even under the Right to Information Act.) The issue

is now before the National Green Tribunal (NGT). The CRDA commissioner claimed in his counter affidavit that most of the land in the capital area are dry lands according to the revenue records of 1908.<sup>8</sup> It is quite ironical that a chief minister and a government that showcase the benefits of IT and e-governance in day-to-day life have no qualms in blatantly trying to mislead the NGT by citing records that are more than a century old.

Finally, one is tempted to comment that the draft master plan documents (at [www.crda.ap.gov.in](http://www.crda.ap.gov.in)) leave much to be desired in terms of readability. The font is very small and the colour combination dull; many boxes and the map indexes become unreadable on enlarging. This gives rise to a legitimate feeling that this could be a deliberate ploy to serve two purposes—to show that the government is transparent and the documents have been shared with the public; and, more important, at the same time ensure that few should be able to read them, let alone understand them.

**NOTES**

- 1 Government Order No 254, 30 December 2014, Municipal Administration and Urban Development Department, Government of AP.
- 2 Amaravati is a small town that dates back to the second century BC on the right bank of the Krishna River and it is known for its Buddhist heritage. Its actual location is outside the core capital city.
- 3 The Chief Minister, in his first year in power, has visited 4 countries (Singapore twice), and teams of Singapore officials have visited the capital city area several times.
- 4 Below each of these images is “Artist’s Impression—Amaravati Gateway,” and under the larger images, “Note: Artist impressions are subjected to detailed design development.”
- 5 “Draft Concept Note on Smart City Scheme,” Revised as on 3 December 2014, Work under Progress, <http://indiansmartcities.in>.
- 6 The master plan talks of creating 6,35,000 jobs in the Seed area in the next 10 years.
- 7 Government Order Ms No 110, 2 May 2015, Municipal Administration and Urban Development Department, Government of AP.
- 8 Counter Affidavit in Application No 171 of 2015, National Green Tribunal, New Delhi.

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