APPENDIX-III

Terms of the Agreement

1. The expenditure on the Central administration of the State should be borne proportionately by the regions and the balance of income from Telengana should be reserved for expenditure on the development of Telengana area. The arrangement will be reviewed after five years and can be continued for another five years if the Telengana members of the Assembly so desire.

2. Prohibition in Telengana should be implemented in the manner decided upon by Assembly members of Telengana.

3. Existing educational facilities in Telengana should be secured to the students of Telengana and further improved. Admission in technical institutions in Telengana to be restricted to the students of Telengana or they should have 1/3rd seats in the whole of the State whichever is more favourable to Telengana.

4. Retrenchment in services should be proportionate from both regions if it becomes inevitable due to integration.

5. Future recruitment to services should be on the basis of the population of the regions.

6. The position of Urdu in the administrative and judicial structure existing in Telengana may continue for five years when the Regional Council will review the position. For recruitment to services knowledge of
Telugu should not be insisted upon but they should pass a prescribed Telugu test in two years after appointment.

7. Some kind of domicile rules, e.g. residence for 12 years should be provided in order to assure the prescribed proportion to recruitment of services from Telengana area.

8. Sale of agricultural land in Telengana area to be controlled by the Regional Council.

9. A Regional Council to be set up for Telengana for its all-round development.

10. The Regional Council to have 20 members, 9 members from M.L.As. One of each district elected by district’s members separately. 6 members of the Assembly or Parliament elected by Telengana M.L.As., 5 members from outside elected by Telengana will be members.

11. Regional Council will be a Statutory body empowered to deal with and decide about

   a. Matters mentioned above and those relating to planning and development, within the general plan and recruitment of services in so far they relate to Telengana area. If there is a difference of opinion between Regional Council and the State Government reference may be made to Government of India for final decision.

   b. Unless revised earlier by agreement, this agreement will be reviewed at the end of ten years.
12. Cabinet Ministers should be in proportion to 60:40. Out of Telengana Ministers one will be a Muslim.

13. If the Chief Minister is from Andhra, Deputy Chief Minister should be from Telengana and vice-Versa. Two out of the following five portfolios should go to Telengana. Viz (a) Home: (b) Finance: (c) Revenue: (d) Planning and Development: and (e) Commerce and Industry.

14. President, Hyderabad Congress Committee, wanted separate P.C.C for Telengana upto 1962, A.P.C.C. President has no objection.