

# Dividing Andhra Pradesh By Gautam Pingle

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With the proposed trifurcation of the State of Andhra Pradesh it is a useful tool to look at the financial and other outcomes. On 21 March 2007, the then finance minister (and later chief minister) K. Rosaiah, replied in a starred question in the State Assembly, giving the breakup of revenue and expenditure over the previous four years (2003-07) for the three regions. These are the latest figures we have available.

He did not quite comply with the spirit of the question, and a large chunk of revenue and expenditure was attributed to a fourth category - the 'Headquarters' - without specifying what this entity represented. Rosaiah's response is less than candid and does not make sense - unless, of course, the idea is to show Hyderabad as a separate political entity in the future, then Hyderabad revenues will be a larger than any of the three regions!

To complicate matters further, another column was added: 'HQ' revenues from other States. To make matters simple, we need to add it to the ambiguous category 'Headquarters' to at least put all ambiguity in one category. This combined 'Headquarters' income and expenditure may be allocated to the three regions on the basis of population between Andhra, Rayalaseema and Telangana - that is, in the ratio of 40:20:40.

The results for the average of three years (2003-06) balance between revenues and expenditure is given in the table below. It needs to be borne in mind that these figures exclude Central Plan funds and devolution from the Finance Commission.

## Financial Viability of Andhra, Rayalaseema and Telangana

Year	Andhra		Rayalaseema			Telangana			HQ			Ex-State	
	Rev	Exp	Balance	Rev	Exp	Balance	Rev	Exp	Balance	Rev	Exp	Balance	Rev.
2003-04	2796	3848	-1052	730	2150	-1420	5565	5158	407	5095	706	4389	3220
2004-05	3494	3799	-305	867	2411	-1544	4725	5546	-821	8311	893	7418	3283
2005-06	3702	4532	-830	1004	2684	-1680	5935	4111	1824	9708	976	8732	4055
Average	3331	4060	-729	867	2415	-1548	5408	4938	470	7705	858	6846	3519

LAQ NO: 7406 (Starred) of AP Legislative Assembly Session - 9 answered on 21.03.07

Conclusions: The table indicates that of all new States, Telangana has the most viable financial rates of large surpluses of revenues over expenditure. These surpluses were invested in Telangana would then ensure a vibrant economy based on agriculture, irrigation (especially the much-neglected tank irrigation) and industry and not just on real estate and services.

Hyderabad a metropolis will act as a growth hub and a magnet for Telangana development. Without it Telangana will not be a viable state and this would not be an acceptable to the people of the region. Andhra with its large educated and entrepreneur population, the two massive river deltas of the Krishna and

Godavari, áandátheágasáfieidsáonáandáoff-shoreáhasáaviab leáfuturáifáitá mobilizesáitsátaxat ionárevenueesáandáappliesáitátoáindustry.

Itámaináports, áVisakhapatnam, áKakinadaáandáKrishnapatnamáwilláserveásáhubsfóratheáinc reasingáforeignátradeáofátheásouthácentraláregion. áVisakhapatnamáwilláprov ideátheámucháneedeáaccessátoácentraláIndiaáandásouthernáOrissa.

NelloreáwitháitsáproximityátoáMadrasáhasááagreatálocationaláadvantageáforáindustryáhavingáaccessátoátheámetropolisáandáitsáport. áItsáagricultureáisáhighlyádevelopedá-átheátwóDeltasáhaveáprovedáextensiveáirrigationáforá150áyearsáandáthereáisáanáaccumulationáofáprivat eácapitaláthatáfindsáitsáapplicationáinádiverseáplacesá-áwhícháouldábeáre-directedátoátheáregionáitself. áTheáGuntur-Vijayawadaáconglomerationáwilláserveásáitsácapital.

TheáproblemáisálessáfavouableáforáRayalaseema, áwhícháwilláneedácentraláassistanceátoááagreateráextentáthanátheáotherátwóregionsáifáitsáfinancesáareátoábeástabilized. áItáhasáafteráalláonlyáhalfátheápopulationásátheátwóotheráregionsáandáwhileáitáiságeographicallyálarge, áitáisárelativelyásmalláinátermsáofáproductiveáworkforce.

However, áitáhasáextensiveámineraláresourcesáandátheáprimeálocationáofáAnantapur, áChittooráandáKurnooládistrictsáwíthínáeacháofátheáthreeágreatámetropolisesá-áBangalore, áMadrasáandáHyderabadá--áwilláensureáprosperityátoáthem. áCuddapahátownácanáeasilyábecomeátheácapital, áhavingáaccessátoátheáKCáCanaláandáTeluguáGanga, áandáitáwillágeneratéáitsáownágrowtháforátheádistrictáAllocationáofátheáStateásáhareáofáKrishnaáandáGodavariáriveráwatersáinátheáearlieráawardsátoáeacháofátheánewástatesáwillábeádoneábyááacommision.

	CoastaláAndhra	Telangana	Rayalaseema
Populationáá2011á(Cr)	3.4	3.5	1.5
NumberáofáMPs	16	17	9
NumberáofááMLAs	122	119	53
AnnualáRevenueáRsáCrá	7821	9890	3112
ExpenditureááRsáCrá	4403	5281	2587
AnnualáBalanceáRsáCrá	+3418	+4609	+525

Inápoliticááterms, átheátrifurcationáwouldágiveátheáCongressáPartyáámajoráedgeá(wíthátheááproposedámergeráofáTRS)áináTelanganaáState, áwherétheáádominantáReddyáandáVelamáácasteáisááweakánumericáallyábutámanageátoáexerciseáinfluencéádisproportionateátoátheáirásizeábecauseátheánowáprosperousábackwardácasteágroupsáhaveánotábeenáableátoáalignáthemselves.

RayalaseemaáStateáwould, áasáusualáseeááabattleábetweenátheáReddyágroupsáinátheáCongressáandáYSRáCongress. áHowever, átheáTDPáwouldáalsoábeáanáactoráináRayalaseemaáandátheáYSRáCongressáináCoastaláAndhra. áButátheáápictureáisábasicáallyáunpredictableáasátheáásituationáisááuniqueáandáonlyábeárevealedáinátheáá2014áGeneraláElection. áOnlyátheáCongressáináTelanganaáseemsáácertainedátoádominateátheáánewástate.

AsáfaráasátheáCoastaláAndhraápeopleáareáconcerned, átheyáhaveáskill, ácapacityáandádriveáthatáwilláensur eáwhateveráhappensátheyáandátheáírástateáwilládoáwelláeconomicáallyáandábeáoneáofátheááforemostáinátheáácountry.

Thisáwillábeááspeciallýáonceátheyádevoteátheáiráenergiesáandáácapitalátoádevelopingátheáíráownáregionáfurth er. áThereádoesánotáseemátoábeáanyápopularáfeelingáonátheááissueáofááseparationáexceptáthatáofágeneraládis gustáwíthátheááwholeámatter.

InátheácaseáofáRayalaseema,átheáleadersáthereáareáscaredáofábeingáassociatedáwitháCoastaláAndhraáasátheyáfearátheásameáexploitationáthatátheyáawáináTelangana.áItáísánotátoásayáthatátheáRayalaseemaápoliticianásádidáanythíngátoástopáthatáexploitationá-áonátheáotheráhandátheyátookápartáináitáwhileáallátheáátimeápromisingátheáTelanganaáleadershipáthatátheyáwouldásaveáthemáfromáit.áPopularáfeelingáhereáisáoneáofádismayáonáhowátheyáwillámanageáseparatelyáonátheiráown.

TheáTelanganaápeopleáareárockásolidáináfavouráofáseparationáasátheyábelieveámanyáofátheíráproblemsáwillábeáresolvedáafteráthatáhappens.áThisáremainsátoábeáseenáandádependsálargelyáonáwhomátheyáelectáandáhowátheseáleadersáseeátheirátaskápost-separation.

Hopeáisáwhatádrivesámovementsáencouragedábyápastágrievancesáandápresentáirritation.áEquallyáfearáofátheáfutureácanáholdáupáamatters.áTheápastáisáshabby,átheápresentáisáimpossibleáandátheáfuture,áuncertain.áItácallsáforáclearáthinkingáandáboldádecisions.