

Andhra Pradesh split, India's 29th state Telangana is born

Telangana, India's newest and the 29th state is born. The ten districts of the new state broke into celebrations at midnight. The Government of India had fixed June 2 as the appointed date for the new state, which it created by passing a Bill in Parliament in February. The 63-year-old K Chandrasekar Rao, who led the movement for a separate state of Telangana since 2001, has taken oath as the new Chief Minister of the state. His party, the TRS, won both Assembly and Lok Sabha elections held on April 30. His party won 63 Assembly seats and 11 Lok Sabha seats by decimating the Congress. Hyderabad will serve as a joint capital for both Telangana and Andhra Pradesh for 10 years. Andhra Pradesh will have to build a separate capital within 10 years. The Governor of Telangana will administer Hyderabad till the AP government moves to a new capital.

Currently Governor of Andhra Pradesh ESL Narasimhan has been given additional charge of Telangana. A 17 member KCR Cabinet will rule the new state of Telangana from Monday. The creation of Telangana has ended a nearly 50-year-long struggle for a separate state.



A brief history of Telangana battle

The Telangana struggle has been a long battle and it finally may come to an end soon. Here's a brief look at the Telangana story so far.

Telangana is a region comprising 10 of Andhra Pradesh's 23 districts. Originally, the region was a part of the erstwhile Nizam's princely state of Hyderabad. In 1948, India put an end to the rule of the Nizam's and a Hyderabad state was formed. In 1956, the Telangana part of Hyderabad was merged with the Andhra state.

The Andhra state had been carved out of Madras Presidency in 1953 after Potti Sreeramulu's agitation for Telugu statehood. The people from Telangana were against merger with Andhra as they feared job losses. That is because education levels and development in Andhra were better than in Telangana

There were cultural differences too. Under Nizam's rule, the culture and language in Telangana bore influences of North India. In 1969, the Telangana movement intensified under the leadership of Marri Chenna Reddy and the Telangana Praja Samithi. There was widespread violence and over 350 protesters were killed in police firing and lathicharge.

However, the movement could not last long as Chenna Reddy went on to merge his party with Congress and was eventually made chief minister by Indira Gandhi. In 2001, the movement revived once again when K Chandrasekhar Rao quit the Telugu Desam and formed the Telangana Rashtra Samithi. In 2004, the Congress joined hands with Rao, promising separate Telangana but later backtracked. In 2009, Chandrashekhara Rao's fast unto death forced the then Union Home Minister P Chidambaram to announce the creation of a separate state of Telangana.

The Centre appointed a commission headed by a retired judge of the Supreme Court, BN Srikrishna, to look into the matter of bifurcation. The commission submitted its report in December 2010 and it was rejected by the TRS. Late chief minister YS Rajashekhara Reddy's son YS Jagan Mohan Reddy's decision to quit the Congress to launch his own outfit YSR Congress Party once again revived the Telangana debate.

Telangana

- *Area:* 1.14 Lakh sq km
- *Population:* 7.52 crore (2014 census); 41 percent of AP state population
- Mostly barren land
- Acute power shortage
- Law & order could be a big problem
- Hyderabad is the only major developed & industrialized district

Andhra Pradesh

- *Area:* 1.60 Lakh Sq km
- *Population:* 10 crore (2014 census); 60 per cent of AP state population
- Well developed, better infrastructure
- Has a long coast
- Have many major developed and industrialized cities
- Have vast natural resources
- Has better road and rail transport
- The bone of contention - Hyderabad

- Population: 2 crore
- Hyderabad has always been the centre of Telangana
- Hyderabad remains with Telangana will function as joint capital for both.
- Telangana was the Centre of Nizam's state of Hyderabad

What it means for Telangana

- Control over Krishna and Godavari waters Catchment of 68 per cent Krishna, 69 per cent Godavari river. But so far, Telangana got only 32 per cent Krishna water. Agitators said should get 70 per cent Prakasam Barrage, Nagarjuna Sagar, Srisailem draw away water to other AP regions
- Benefits of irrigation canals, 74 per cent Coastal Andhra, 18 per cent Telangana, 8 per cent Rayalaseema, 45 per cent of AP's forest area in Telangana across five districts
- Singareni collieries excavate coal for industry, power stations.
- Power generated supplied to entire south India.
- Region has limestone deposits, besides bauxite and mica.

Jobs For Telangana People

Only 20 per cent AP's government employees were from Telangana, Population-wise, should have been 40 per cent, more than 6 lakh. In reality less than 5 per cent department heads in AP government were from Telangana.

Only 6 out of 12 AP CMs from Telangana. As a State Telangana's per capita income, 10th highest in country, notch above all-India average. In absolute GDP terms, Telangana (without Hyd) above Chhattisgarh, Jharkhand, U'khand, HP, Goa. Among all states, at 15th place.

What it means for Andhra

In absolute GDP size, Andhra region third among states Per capita income of Andhra 11th highest, above all-India average, Rich in agriculture, owing to Godavari and Krishna deltas. Within AP, coastal Andhra is superior economic entity, considered rice bowl. Now loses control over rivers Krishna and Godavari, loses control over mineral rich Telangana region. They have to develop a new capital and it loses Telangana revenue that was 50 per cent of state revenues.

Two states: Economic impact

- Telangana state will seek its share in river waters which could affect Coastal Andhra.
- How will Coastal Andhra generate revenue to run since Hyderabad is a prime source of revenue?
- Coastal Andhra could lose an investment destination if Hyderabad becomes part of Telangana.
- Coastal Andhra districts like Prakasam, Krishna, Guntur and Nellore could see increase in business activity.

- Creation of a new state could see revival of cement industry currently running on 50% less capacity
- Hyderabad as shared capital will give a sense of security to migrants from coastal Andhra.

Impact on business

- Hyderabad - Secunderabad twin cities have a population of over a crore.
- Most of the industries are located in and around these two cities.
- Hyderabad has a world class international airport.
- It is also getting a Metro.
- After Bangalore, Hyderabad is the second largest IT city in South Asia.
- Hyderabad has got a very good rail and road networks.
- Once the new state is created, business may move out of Hyderabad to Seemandhra.
- Visakhapatnam also has some IT companies.
- It is a hub of Pharmaceutical industries.
- It has a Naval base, ship building yard and a port.
- Most of the industries in Hyderabad region are run by the people from Seemandhra.
- Eventually, they may develop their own business hub on the lines of Hyderabad
- It will affect the Hyderabad economy. It may even lose the population.
- The fear of Maoists taking control of parts of Telangana may push the business ventures down south to Seemandhra.
- Seemandhra can develop major cities like Vishakhapatnam, Vijayawada, Rajahmundry, Tirupati, Ongole, Kurnool etc.

Andhra divided: Brand Hyderabad hit?

- Hyderabad is the largest contributor to the state's GDP.
- Contributes 55 per cent of Rs 70,000 crore state revenue.
- The city is expected to be a major it hub of India.
- Hyderabad is home to over 1300 global it companies.
- The city is home to over 5 lakh jobs in the it sector.
- Hyderabad accounts for over 90 per cent of the state's Rs 40,000 crore it exports.
- Ranks 4th in terms of software exports from India.

Budget 2014:

Andhra Pradesh won a fair deal of attention in the Union budget after its bifurcation in June, leaving the newly created state of Telangana nursing a sense of neglect despite finance minister Arun Jaitley's assurance that the central government would be fair to both. The finance minister said the government would complete a perspective plan for developing the Vizag-Chennai corridor, which, along with Bangalore-Mumbai economic corridor, can potentially house 20 new industrial clusters.

The government has also identified the region around Kakinada town in East Godavari district of Andhra Pradesh as a hub for hardware manufacturing. The government also said it would complete the master planning for a smart city in Krishnapatnam in Nellore district of Andhra Pradesh as part of the Chennai-Bangalore industrial corridor region. Kakinada and Nellore, incidentally, fall in the proposed Vizag-Chennai corridor.

Residuary Andhra Pradesh faces the task of developing a new state capital as well as infrastructure in the form of airports, roads and higher education institutes. Hyderabad, which was developed as the economic growth engine of the undivided state at the expense of other districts, will be transferred exclusively to Telangana after serving as a joint capital for 10 years.

Andhra Pradesh is among the four places in the country where a medical institute on the lines of AIIMS will be established. The finance minister has allocated Rs500 crore for the four proposed AIIMS.

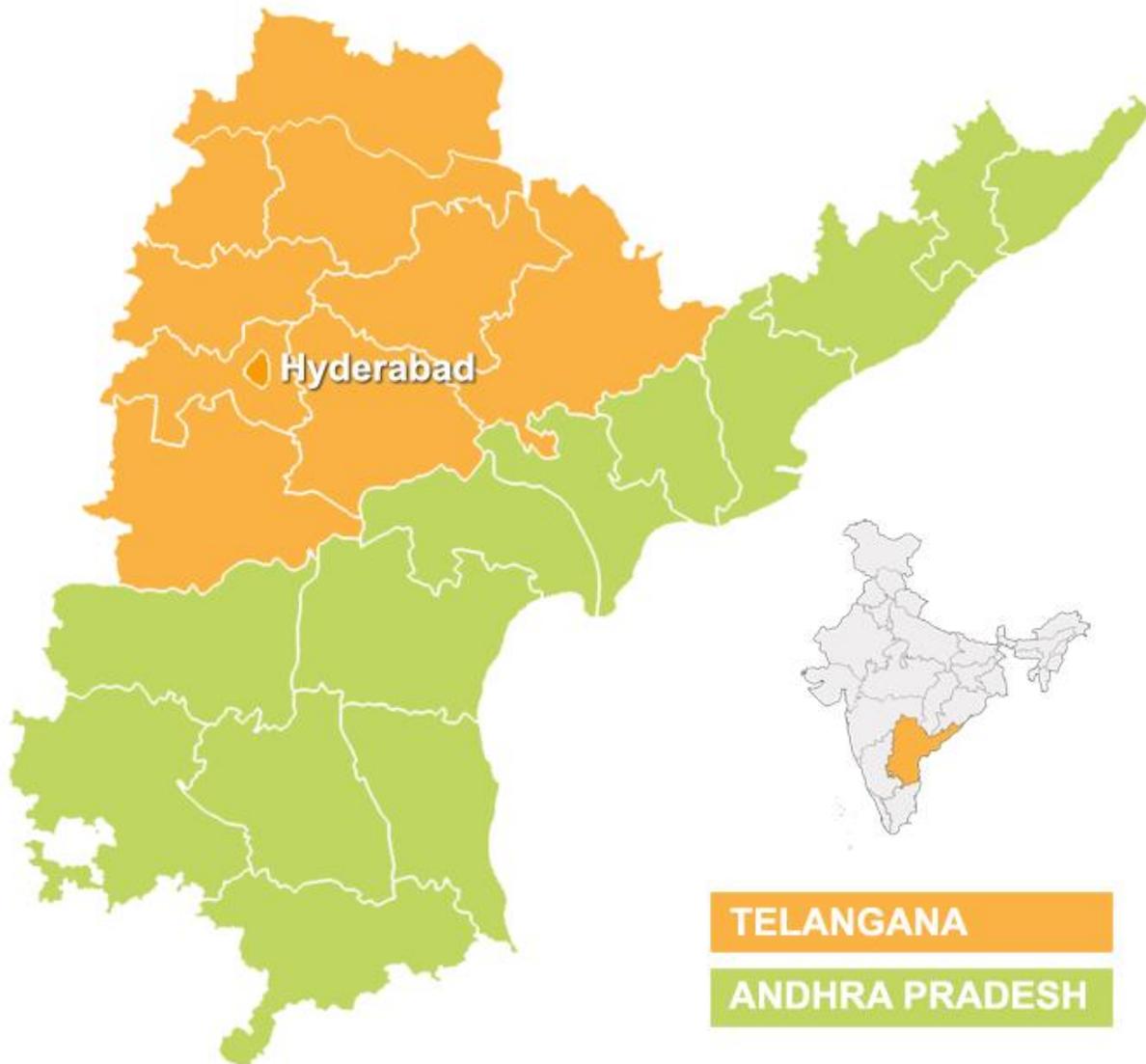
Andhra Pradesh is also among the five states where an Indian Institute of Technology (IIT) will be opened. Together, Andhra Pradesh and Telangana are among the states that send the maximum number of students to the IITs each year. The government also proposed to set up a National Academy for Customs and Excise at Hindupur in the backward Rayalaseema region of Andhra Pradesh.

An agricultural university for new Andhra Pradesh and a horticulture university for Telangana has also been proposed in the budget, with an allocation of Rs200 crore.

Andhra Pradesh's coast line, the second longest in the country after Gujarat, seems to have worked in its favor, receiving special attention from the central government. Andhra Pradesh chief minister N. Chandrababu Naidu said the plan was to develop the state as a logistics hub on the country's eastern coast "on the lines of Gujarat on the western coast."

TELANGANA ANDHRA PRADESH

The facts. The figures.



- Hyderabad common capital for a period not exceeding 10 years
- Hyderabad has always been the centre of Telangana
- The administrative control over Hyderabad will be with Governor of Telangana till Andhra Pradesh government shifts to its own capital
- The city has a history of over 500 years
- Unlike Chandigarh, Hyderabad isn't even on the border of two states
- Hyderabad-Secundrabad has a population of 70 lakhs and is a cash cow

Andhra Pradesh State



Note: 1) To be confirmed by Revenue/Irrigation Departments.
2) 137 Submersible (108 Fully + 29 Partly) of Khammam are tentatively added to Andhra Pradesh State

Telangana State



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