

1. Examine the issues between Andhra Pradesh and the Union Government regarding special category status and financial grants. What has been the state's stance on this issue?

The bifurcation of Andhra Pradesh in 2014, which led to the creation of Telangana, has been a focal point of issues between the Andhra Pradesh state government and the Union Government, particularly concerning the grant of Special Category Status (SCS) and associated financial assistance.

Key Issues Between Andhra Pradesh and the Union Government

1. Special Category Status (SCS) Dispute

- The Centre denied AP's demand for SCS, citing the 14th Finance Commission's increased tax devolution. Instead, a special financial package was offered, which AP rejected.

2. Financial Issues & Grants

- **Revenue Deficit:** AP's post-bifurcation ₹16,000 crore deficit remains partially funded.
- **Capital & Infrastructure:** Funds for Amaravati and the Polavaram Project (₹55,548 crore needed) face delays.
- **Industrial Incentives:** Promised GST and tax benefits are yet to be fully implemented.

3. Pending AP Reorganization Act Commitments

- **Institutions:** Several IITs, IIMs, and AIIMS remain underfunded.
- **Asset Division:** Disputes over ₹1.42 lakh crore worth of assets between AP and Telangana persist.

4. Water Disputes

- Krishna and Godavari river-sharing conflicts continue, with Telangana accused of excessive withdrawals.

5. Political & Fiscal Issues

- AP alleges neglect by the Centre, demanding greater fiscal autonomy and resolution of pending promises.

Andhra Pradesh's Stance:

- **Demand for SCS:** Andhra Pradesh has been persistently demanding SCS, citing the loss of revenue due to the separation of Hyderabad (a major economic hub) to Telangana. They argue that SCS is essential to bridge the resource gap and accelerate development.
- **Basis for the Claim:** The demand is based on the assurances given by the then Prime Minister during the state's bifurcation, promising SCS for 5 years.
- **Justification:** The state government argues that SCS is crucial for attracting investments, creating employment opportunities, and developing infrastructure, which are vital for the newly formed state.
- **Emotional Appeal:** The demand for SCS has also taken on an emotional dimension, with the state government emphasizing the sentiments of the Telugu people and the need for justice.

Union Government's Stance:

- **No Constitutional Provision:** The Union Government argues that there is no constitutional provision for granting SCS to any state.
- **14th Finance Commission:** They point to the 14th Finance Commission's recommendations, which did away with the SCS for most states, retaining it only for the Northeastern states and three hill states.
- **Alternative Assistance:** The Centre has offered alternative financial assistance to Andhra Pradesh, including increased devolution of funds, special development packages, and funding for externally aided projects.
- **"Monetary Equivalent":** The Union Government has stated its willingness to provide the "monetary equivalent" of what a special category state would receive, but without formally granting the status.

Current Situation:

The issue remains unresolved, with Andhra Pradesh continuing to press its demand for SCS. The political dynamics between the state and the center, along with public pressure, play a significant role in shaping the ongoing discourse.

Conclusion:

The dispute over SCS and financial grants between Andhra Pradesh and the Union Government is a complex interplay of legal interpretations, political promises, and economic needs. While the Union Government cites constitutional limitations and the 14th Finance Commission's recommendations, Andhra Pradesh emphasizes the assurances given during bifurcation and the need for special assistance to overcome its developmental challenges. The lack of a mutually agreeable solution continues to be a contentious issue, impacting the state's development trajectory.

2. Discuss the significance of Andhra Pradesh's mineral resources in the state's industrial and economic development. What challenges does the state face in sustainable mining?

Introduction

Andhra Pradesh is rich in mineral resources, which play a crucial role in its industrial and economic development. The state has abundant reserves of bauxite, limestone, coal, manganese, quartz, and beach sand minerals (monazite, ilmenite).

Andhra Pradesh is endowed with abundant mineral resources that play a vital role in its industrial and economic growth.

1. Key Minerals:

- **Limestone:** AP is one of the leading producers of limestone, essential for cement production, supporting the growth of the cement industry.
- **Bauxite:** The state has significant bauxite reserves used in aluminium production, which attracts industries and creates employment.
- **Barites:** The state is a major producer of barite, crucial for the oil drilling industry.
- **Granite:** Andhra Pradesh has vast granite deposits, which contribute to the stone processing and export industry.
- **Iron Ore & Manganese:** These minerals are crucial for the steel industry, attracting investments in metal production.

2. Contribution to Industrial Growth:

- The presence of these resources provides raw materials for industries, which boosts local manufacturing.
- The mining sector generates significant employment opportunities, particularly in rural areas.
- Infrastructure projects and public-private partnerships have supported the establishment of industrial hubs, contributing to the state's economic development.

3. Revenue Generation:

- The mining sector contributes significantly to the state's GDP and revenue generation through taxes and royalties.
- The establishment of industries based on mineral resources strengthens exports, promoting regional and national growth.

Challenges in Sustainable Mining

1. **Environmental Degradation:** Unregulated mining causes deforestation, soil erosion, and groundwater depletion, particularly in tribal areas like Visakhapatnam.
2. **Displacement of Indigenous Communities:** Mining projects often lead to land acquisition and displacement of tribal populations, affecting their livelihoods. Tribal groups like the Konda Reddies, and Koyas, who reside in the Eastern Ghats region.
3. **Illegal Mining:** Unchecked extraction, particularly of sand and iron ore, leads to loss of state revenue and ecological imbalance. Sand Mining in the beds of the Godavari, Krishna and Tungabhadra Rivers.

4. **Regulatory Challenges:** Inconsistent enforcement of environmental and forest laws hampers sustainable mining.
5. **Water Pollution:** Mining operations contaminate local water bodies, affecting agriculture and drinking water sources. For example, groundwater samples from the Tummalapalli uranium mining area in Kadapa basin were found to contain uranium beyond permissible limits.
6. **Limited Value Addition:** Despite rich resources, the state lacks adequate processing industries, leading to the export of raw minerals rather than finished products.

Way Forward for Sustainable Mining

- **Strict Regulation & Monitoring:** Strengthen environmental impact assessments (EIA) and introduce real-time monitoring of mining activities.
- **Community Participation:** Ensure stakeholder consultations to address local concerns and provide alternative livelihoods.
- **Technology Adoption:** Use eco-friendly mining techniques and promote waste management strategies.
- **Value Addition:** Develop mineral-based industries in the state to boost local employment and revenue.
- **Rehabilitation & Afforestation:** Implement mine reclamation and afforestation projects to restore degraded land.

Conclusion

While Andhra Pradesh's mineral wealth is a pillar of industrial growth and economic prosperity, sustainable mining practices are essential to balance development with environmental and social concerns.