



Stalemate Between Telangana and AP

Prelims: Andhra Pradesh Reorganization Act 2014, Supreme Court, Central Government's Role.

Mains: Stalemate between Telangana and AP, Inter- State Dispute

Why in News?

Recently, Andhra Pradesh has approached before the [Supreme Court](#) seeking “**Just, Reasonable and Equitable Apportionment**” of assets and liabilities under the Andhra Pradesh Reorganisation Act 2014.

What is the Background?

- On 2nd June, 2014 the northwestern part of Andhra Pradesh was separated and 29th state **Telangana was created.**
- The **States Reorganisation Act (1956)** merged the **Telugu-speaking areas of Hyderabad state with the Andhra state** to create the enlarged Andhra Pradesh state.
- The [Andhra Pradesh Reorganisation Act \(2014\)](#) bifurcated Andhra Pradesh (AP) into two separate states, namely, the Andhra Pradesh (residuary) and the Telangana.
- Now more than eight years after the bifurcation of the erstwhile united Andhra Pradesh, division of assets and liabilities between the two States remain elusive as the States make their own interpretation of the provisions under the **Andhra Pradesh Reorganisation Act 2014.**

What are the Issues?

- **12 Institutions not Mentioned in the Act:**
 - The issue involves 245 institutions with a total fixed asset value of ₹1.42 lakh crore.
 - There are 91 institutions under **Schedule IX and 142 institutions under Schedule X of the Act.**
 - The division of another 12 institutions not mentioned in the Act has also **become contentious between the States.**
- **Delays in Division of Assets and Liabilities:**
 - AP laments that the Telangana government had selectively accepted the recommendations given by the **expert committee headed by Sheela Bhide, leaving others which was resulting in delays in division of assets and liabilities.**
 - The committee has made recommendations with respect to the division of 89 out of the 91 Schedule IX institutions.
 - Andhra Pradesh argues that recommendations were accepted hastily to expedite the process of division and finalized the division of these institutions.
- **Contention over Division of Assets:**
 - The expert committee's recommendations on the division of assets that are not a part of the headquarter **assets attracted criticism from the Telangana government**, saying it is against the **spirit of the Reorganisation Act.**

What is the Role of the Centre?

- The Ministry of Home Affairs (MHA) has given clarity about the headquarter assets way back in 2017.
- MHA states that in the case of one single comprehensive State undertaking (which includes the headquarters and the operational units in one facility) which is exclusively located in, or its operations are confined in one local area, it shall be **apportioned on the basis of location as per sub-section (1) of Section 53 of the Reorganisation Act.**
- The **Act empowers the Union Government to intervene** as and when needed.

Note

- The SC in its original jurisdiction decides disputes between states.
 - As per **Article 131 of the Constitution** reads, the SC have original jurisdiction in any dispute between the Government of India and one or more States or between the Government of India and any State or between two or more states.
- Under Article 263 of the Constitution, the **Inter-state council is expected to inquire and advise on disputes, discuss subjects common to all states** and make recommendations for better policy coordination.

What Can be Done to Resolve Inter-State Disputes?

- The responsibilities assigned to the Inter State Council by the Constitution (in terms of resolving inter-state disputes) need to be fulfilled in reality and not just in papers.
 - Similarly, **Zonal councils** need to be revived to discuss the matters of common concern to states in each zone—matters relating to social and economic planning, border disputes, inter-state transport, etc.
- India is the epitome of unity in diversity. However, to strengthen this unity furthermore, **both the Centre and state governments need to imbibe the ethos of cooperative federalism.**

UPSC Civil Services Examination Previous Year Question (PYQ)

Q. The power of the Supreme Court of India to decide disputes between the Centre and the States falls under its (2014)

- (a) advisory jurisdiction
- (b) appellate jurisdiction
- (c) original jurisdiction
- (d) writ jurisdiction

Ans: (c)

Source: TH