

## **Andhra Pradesh-Profile**

Andhra Pradesh is one of the 29 states of India, situated on the country's southeastern coast. The state is the eighth largest state in India covering an area of 160,205 km<sup>2</sup>. According to 2011 census, the state is tenth largest by population with 49,386,799 inhabitants. The state has the second longest coastline of 972 km (604 mi) among all the states of India, only second to Gujarat. There are two regions in the state namely Coastal Andhra and Rayalaseema and hence, the two regions are more often referred as Seemandhra by the news media. There are 13 districts with 9 in Coastal Andhra and 4 in Rayalaseema. Visakhapatnam is the largest city and a commercial hub of the state with a GDP of \$26 billion followed by Vijayawada with a GDP of \$3 billion. Other commercial hubs of the state include; Tirupati, Kurnool, Guntur, Kakinada and Rajahmundry. Hyderabad is the joint capital of both Andhra Pradesh and Telangana states for a period of 10 years.

The state is endowed with a variety of physio-graphic features ranging from Eastern Ghats, Nallamala Forest, Coastal plains to deltas of two major rivers of Krishna and Godavari. The state is the largest producer of rice in India, and hence, it is nicknamed as The Rice Bowl of India. Telugu, which is one of the classical languages in India is the official language of the state.

### **Economy:**

The growth in the state of Andhra Pradesh was mainly driven by agriculture, industry and service sectors. The state has well-developed social, physical and industrial infrastructure and virtual connectivity. The priority areas of the state in the economy include Food processing, Software Export, Financial Services, Electronics, power, Textiles and Tourism.

The Godavari and Krishna are the two important rivers flowing through the state providing irrigation. The state has also started to focus on the fields of information technology and biotechnology. Andhra Pradesh is a mineral rich state with largest limestone and also offshore Krishna-Godavari basin gas reserves of 60 Trillion cubic feet.

In 2012-13, the Gross State Domestic Product (GSDP) of Andhra Pradesh stood at INR2359.3 billion (US\$39 billion) and the per capita income of the state increased by 6.26% from INR25,959 (US\$430) (2004-05) to INR42,186 (US\$700) (2012-13)

Agriculture has been the chief source of income and main occupation for the state with 60% of population engaged in agriculture and related activities. Rice is the major food crop and staple food of the state. Other important crops are sugarcane, cotton, mango, tobacco, Maize, pulses etc. Four important rivers of India, the

Godavari, Krishna, Penna, and Tungabhadra flow through the state, providing irrigation. Recently, crops used for vegetable oil production such as sunflower and peanuts have gained favour. Andhra Pradesh was among the very few states in the country which went in for the Green Revolution in rice cultivation in the 1970s. Average per capita agricultural income in the state was INR54.599 billion (US\$910 million) at constant prices (2012–13). Aquaculture such as cultivating fish, crustaceans, molluscs, Shrimp production etc., are the major occupations of coastal areas. Andhra Pradesh is the largest producer of shrimp in the country, with 70% of the production from the state itself.

As of June 2013, the state had 39 operational special economic zones (SEZs), higher than any other state in the country. There are 272 Industrial estates and industrial development areas in the State, covering an area of 14700 hectares. The State Government is in the process of developing Industrial Parks at different places, for specific groups of industries like Visakhaatnam Export Processing Zone.

Food Processing Industry includes approximately 23000 registered food processing units as per data from the Department of Industries, Govt of A.P (2010). The industries include rice milling, dairy, oil refineries, marine aqua processing, sweetened aerated water units etc. Various Agri Export Zones were set up in the state for produce like mangoes, fresh vegetables, chilli, grapes and gherkins. Apart from these there are Mega Food Parks, Cold Chain Projects as well.

Food parks, one each in the 2 regions of Coastal Andhra (value added rice products, dairy, horticultural, marine etc.); and in Rayalseema region (processing of vegetables, edible oils and export oriented industry). Agri Export Zones for the following produce are proposed at the places mentioned against them:

Red Chilli – Guntur district, Mangoes – Krishna district, Mango pulp and fresh vegetables – Chittoor

### **Political:**

The Andhra Pradesh Legislature is currently bicameral. The lower house is called the Andhra Pradesh Legislative Assembly. At present the Legislative Assembly of Andhra Pradesh consists of 175 Members.

The Upper House, known as the Andhra Pradesh Legislative Council, has lesser powers than the Assembly and several of its members are nominated by the Assembly. Others are elected from various sections of the society like Graduates and Teachers. Currently the Legislative Council consists of 56 members.

In what would be the last elections held in the unified state, Telugu Desam Party got a mandate in their favor in the residuary state. Nara Chandrababu Naidu, the chief of Telugu Desam Party became Chief Minister on 8 June 2014

**Top FIVE Industries (Sectors):**

The top 5 Industries Sectors in Andhra Pradesh are

Automobile and Auto Components Industry

Bulk Drugs and Pharmaceuticals

Mines and Minerals

Agriculture, Food Processing & Marine Industry

Petrochemical Industry

**Top 5 MNC's:**

Cadburys, Isuzu, HSBC, Cargill and International Paper

**Top 5 Domestic Companies:**

Agrigold Group, Amara Raja Group, Lingamaneni Group, Kusalava International Ltd and Visakhapatnam Steel Plant

**Potential Inward Investments:**

IT, Infrastructure, Irrigation, Alternative & Renewable Energy, Marine and Ship Building, Cold Storage, Manufacturing projects, Petrochemicals and food processing

**Potential outward investments:**

IT, ITeS, Engineering Services, Pharmaceuticals, Mining and Infrastructure