



Deprivation to Telangana: Case for Separate Statehood

Submitted to Justice Sri Krishna Committee

**By
Working Group for
Preparation of Memorandum to Sri Krishna Committee**

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Chapter I

Context and Methodology

I.1 Context of the report

Statehood for Telangana is nearly a six decade demand. It has acquired all qualities of a movement comprising of number of agitations at different phases. The context of Telangana is entirely different from the other backward regions of the state. The case of Telangana is one of exploitation. Telangana existed as a separate state having adequate natural, financial resources and got merged in the united state of Andhra Pradesh on pertinent agreements regarding due share in natural and financial resources and education and employment opportunities. The contribution of Telangana to the state's revenues has all along been more than 50 percent. The region is literally encircled by two major rivers of south India, Krishna and Godavari, and is traversed by a large number of tributaries of these rivers. It is one of the largest coal producing areas of the country and is rich in forest wealth and other natural resources and favourable land-man ratio. It has inherited from the much-maligned feudal regime fairly well developed assets like railway system, industrial units and the capital city. In spite of all these advantages the region has remained backward not only because of the neglect meted out to it but also because of the unending exploitation of its resources, natural as well as financial, for the development of other regions of the state.

The history of the united Andhra Pradesh is replete with instances of violations and injustice denying its due share all through the process of development due to lack of political empowerment. An important benchmark in violation is doing away with special status to the Telangana region by abolishing the Telangana Regional Committee (TRC) in 1973. From 1973, what the Telangana people were arguing as a matter of right to due share (which has been denied by every act of violation and discrimination) got converted into an issue of "developing backward areas". Within this paradigm, a uniform approach for promoting accelerated development of backward areas became the strategy of the state. With this move, the state successfully nullified the special status for Telangana region accorded earlier due to the historically specific conditions of merger. Telangana got equated with all other backward regions of the state. It became easy to project it as an issue of development and backwardness without any reference to questions of justice and above all to its self-respect. Hence in development debates often Telanagna is equated with Rayalaseema and North Coastal Andhra in terms of economic and social backwardness again leading to a misleading conclusion of special packages for their development. Rayalaseema and North Andhra may be more backward than some of the Telangana districts but it is not mere issue of development/ backwardness but question of exploitation of resources by way of discrimination and hence deprivation in social, political and economic development due to regional biases in decision making which arises in the absence of necessary political clout or empowerment for Telangana leadership. The development of Telangana region needs to be understood from this perspective.

I.2 Methodology

Development cannot be seen merely in terms of development outcomes viz growth, employment and so on in the context of the state of Andhra Pradesh formed by merging the two erstwhile independent states viz Hyderabad and Andhra with varying level of natural endowments, infrastructure, different historical legacies, and institutional developments but having uniform language. This is because of the fact that there have been wide variations in the role of political leadership in formulating public policies between the regions. The political domination of Andhra Rulers has been well established through the history of instances of violations of agreements (equity controls) made time to time to safeguard the interest of Telangana region. Hence, there is a need to understand the development outcomes along with the resources used (physical, human, financial) as there is larger scope for the politically strong regions to use the resources for their advantage. It is therefore equally important to examine the interface between the pattern of resource use and outcomes. This is why it needs caution in the interpretation of rate of achievement in growth and other outcomes because the discrimination in resource utilization should be linked to the levels of growth as well as quality of growth. Even though inequality in growth between the regions narrows down, the politically weak regions may be placed in the disadvantage situation in regard to the quality of growth in terms of its costs, sustainability and distribution.

I.3 Data sources and presentation of data

The objective of the present memorandum is to present the picture of development achieved in some of the vital sectors in Telangana vis-à-vis other regions in the state. The sources of data are the reports published by the state government and other official agencies. It is to be noted in this context that when the state of Andhra Pradesh was formed there were only two recognized regions - Andhra and Telangana - since Rayalaseema was considered a part of Andhra. After the Andhra Agitation of 1972 and the resultant imposition of Six Point Formula, the state was divided into seven zones, within the framework of three regions, namely, Coastal Andhra, Rayalaseema, and Telangana, treating the capital city as a separate entity. The rationale underlying this decision was to make the capital city equally accessible to the people living in all parts of the state. This has the appearance of fairness, but in reality it has deprived the people of Telangana of their legitimate right by a subtle play, which made the twin cities of Hyderabad and Secunderabad more accessible to the people of Coastal Andhra and Rayalaseema, and more inaccessible to the people of Telangana. It is, therefore, necessary not to mistake the development of capital city with the development of Telangana region or any other region for that matter. The main factors that generally form a basis for evolving strategies of development of a region are its geographical area and population, besides resource endowment and levels of development already achieved. Geographically, Telangana is the largest region of the state covering 41.47% of its total area, while Coastal Andhra and Rayalaseema cover 33.75% and 24.51%, respectively. It is inhabited by 40.54% of the state's population, coastal Andhra accounting for 41.69% and Rayalaseema for 17.77%. Therefore outcomes in education and employment are seen against its entitlement i.e. share in population.

Comparison in the following chapters has been made in four ways as follows

- One, Telangana vs Andhra or Seemandhra (combining Coastal Andhra and Rayalaseema)
- Two, three region comparison viz coastal Andhra comprising nine districts (Srikakulam, Vizianagaram, Visakhapatnam, West Godavari, East Godavari, Krishna, Guntur, Prakasham and SPS Nellore; Rayalaseema comprising of four districts (Chittoor, Kadapa, Kurnool and Anantapur) and Telangana comprising of nine districts (Adilabad, Nizamabad, Karimanagar, Khammam, Warangal, Nalgonda, Medak, Mahbubnagar, Rangareddy) and Capital city of Hyderabad comprising of twin cities of Hyderabad and Secunderabad. Telangana is viewed as excluding Hyderabad for development indicators as Hyderabad shows robustness in most of them which may bring in aspects of distribution as mentioned above.
- The third is a five fold classification of North Coast (Srikakulam, Vizianagaram, and Visakhapatnam), South Coast (West Godavari, East Godavari, Krishna, Guntur, Prakasham and SPS Nellore); North Telangana (Adilabad, Nizamabad, Karimanagar, Khammam, Warangal) South Telangana (Nalgonda, Medak, Mahbubnagar, and Rangareddy) and Rayalaseema with four districts.
- Further Telangana is also shown excluding Hyderabad and including Hyderabad to identify the effect of capital city. Hyderabad is shown independently for the purpose of certain indicators.

Chapter II

Irrigation: Irreversible damage to Telangana

Irrigation development in Andhra Pradesh is one of the crucial and controversial issues. Intra state sharing of river waters among the river basins in the three regions is wrought with violations and falsifications. The mainstream debate on irrigation is centered on the following issue

Telangana is disadvantaged because it is at high altitude and cannot benefit from major irrigation through gravity flow

This chapter proves this argument baseless as projects contemplated by erstwhile Hyderabad state which would have provided irrigation through gravity to Telangana were shelved, not pursued and simply put aside. Inchampally project on river Godavari is another example of possibility of gravity flow that was neglected after the formation of the state of Andhra Pradesh. This chapter also explains the status of irrigation projects proposed in erstwhile Hyderabad state, status of projects on Krishna and Godavari rivers and projects taken up under Jalayagnam. The status of minor irrigation or tank irrigation which is known to be the lifeline of Telangana is also analysed.

A summary of the chapter is as follows

- Projects that could have been completed with gravity flow in Telangana were put in cold storage
- Projects proposed by Hyderabad state were abandoned after state formation making Mahbubnagar district drought prone
- Denial of water allocated to Telangana by Bachawat Tribunal, even though this itself represented under allocation considering higher catchment area in Telangana
- Legitimate share of water to Telangana from Krishna river reduced through manipulations, denial, and diversions
- State machinations to divert Godavari water to Krishna basin and Krishna water to Rayalaseema from 2004 onwards
- Minor irrigation destructed by not making due financial allocations
- Undue steadfastness in Polavaram project having no required clearances, which shows haste in diverting water to Andhra region

II.1 Irrigation proposed by erstwhile Hyderabad government

The Hyderabad Government planned to provide irrigation for around 70 lakh acres to Telangana Region through grandiose projects such as Tungabhadra project (left bank canal), Upper Krishna project (Right Bank canal), Bheema Project and Nandikonda Project (Nagarjunasagar) all in Krishna Basin and Godavari Valley project, Inchampally

Project and Devanur Project in Godavari Basin. All these projects have either been shelved or curtailed after formation of Andhra Pradesh in 1956. The Bachawat Tribunal¹ on Krishna Waters, in its report categorically mentioned that “Had there been no division of the State (Hyderabad), there were better chances for the residents of this area to get irrigation facilities”.

Table II.1 very clearly shows the biased nature of Andhra government at the formation of state in 1956. Irrigation could have been created at minimal cost due to gravity in most cases. Some instances of gross injustice done regarding projects conceived in erstwhile Hyderabad state are as follows

- 174.30 TMC of Krishna waters through the three projects of Tungbhabhadra Left Canal, Upper Bhima, Upper Krishna have been denied to Telangana because of casual approach adopted and non serious arguments put forward by Council of AP before Bachawat Tribunal
- Bachawat Tribunal also remarked that undue loss has been incurred to Telangana region as 174.30 TMC of Krishna waters has been lost due to callous attitude of Go AP and in lieu 17.48 TMC of water has been accorded to Jurala project
- Andhra Pradesh govt. has shown least interest in taking up projects proposed by Hyderabad state
- The most deprived due to these acts of denial is Mahbubnagar district in Telangana which subsequently suffered the most from droughts, distress migration and suicide of farmers.

¹ Government of India has appointed a Tribunal with RS Bachawat as Chairperson and with two other members for interstate and intrastate just distribution of Krishna waters in 1969. The Tribunal has submitted its report to GoI in 1973.

Table II.1: Status of Projects proposed in erstwhile Hyderabad state

SI No	Project	Proposed Utilization of water and ayacut	Injustice after state formation	Outcome
1	Godavari valley project across Godavari later renamed as Pochampadu and then SriRam Sagar Project (SRSP)	250 TMC; Adilabad, Nizamabad, Karimnagar, Warangal Khammam; 20 lakh acres	Kadem dam started in 1954; After 1956 project abandoned till 1963;	Pochampadu (SRSP) restricted to 66TMC; Denied due to delay and rightful share
2	Devanur in Bidar across Manjira river	38 TMC; 2.5 lakh acres; Power generation; To provide regulated flows to Ghanpur anicut- Medak, and Nizamsagar project	Land acquisition notification issued; Abandoned after 1956; Karnataka govt. was interested to complete	Ghanpur anicut in Medak and Nizamsagar dam denied due share
3	Tungabhadra dam left canal in 1947	Constructed with Hyderabad state funds; Gadwal, Alampur in erstwhile Raichur, Karnataka to receive water through Gadwal Canal 19.2 TMC; 1.2 lakh acres	Gadwal and Alampur Tqs merged with Mahbubnagar in AP after 1956; AP Govt abandoned Gadwal Branch Canal; Instead high level canal on right side constructed	Gadwal and Alampur in Mahbubnagar denied of water through left canal
4	Bheema in Gulbarga district	To irrigate 4 lakh acres in Gulbarga (Karnataka)and Mahbubnagar districts (Telangana)	Gulbarga merged with Karnataka; AP govt abandoned ; Karnataka govt was interested; Not effectively argued in Tribunal	Drought prone Mahbubnagar denied irrigation
5	Upper Krishna at Kamaladinne	100 TMC; Irrigation in Raichur, Gulbarga and Mahbubnagar in 4 lakh acres;	Raichur and Gulbarga merged in Karnataka; AP govt abandoned; Karnataka shifted site to upper reaches at Almatti; Bachawat Tribunal proposed extension of canal to Mah nagar; AP govt ineffective argument in Tribunal	Lost good facility of irrigation by gravity to Mahbubnagar

6	Nandikonda proposed at Yeleswaram on Krishna river in Nalgonda in 1951	161 TMC; 15 lakh acres in Telangana;	After 1953 Andhra govt proposed for joint project at Nandikonda downstream of Yeleswaram; I phase on left Canal (Telangana area) proposed to irrigate 5.4 lakh acres in I crop and 1.2 lakh acres in II crop(wet) and 1.3 lakh acres in Nandigama Tq of Andhra area (1/3 rd wet and rest dry);	Rightful share of Krishna water denied to farmers of Mahbubnagar, Nalgonda, Khammam in Telangana; No alternative was made; Irredeemable loss
7	Rajolibanda Diversion Scheme (RDS) constructed in 1955 to irrigate 0.93 lakh acres in Hyderabad state	Agreement between govts of Madras and Hyderabad in 1944 to utilize Tungbhabhadra waters; Equal status to RDS on par with Kurnool-Cudapah (KC) canal;	Bachawat tribunal allocated 39.9 TMC to KC canal and 17.1 TMC to RDS because of ineffective dealing of GoAP; Of the 17.1 TMC Karnataka's share is 1.2 TMC; 15.9 TMC is entitlement to Mahbubnagar (Telangana) ; KC canal was reconstructed in 1956 and in 2000 Sunkesula barrage was constructed; RDS was neither improved nor reconstructed	Mahbubnagar never realized more than 6-7 TMC against allocated 15.9 TMC; Reason is unplugging of sluices in RDS, thereby water flowing into Sunkesula barrage utilized by KC canal farmers; Ayacut under KC canal expanded from 0.9 to 3.5 lakh acres; that under RDS fell from 0.87 to 0.3 lakh acres

II.2 Sharing of Krishna Waters

The Bachawat Tribunal has apportioned the Krishna Waters among the three States namely Maharashtra (560 TMC), Karnataka (700TMC) and Andhra Pradesh (800 TMC). Within state of Andhra Pradesh the sharing is as seen in Table III.2.

Table II.2: Apportionment of Krishna Waters among the three regions in AP

Sl. No.	Item	Rayalaseema	Coastal Andhra	Telangana	Total
1	Catchments area of Krishna basin lying in the region (SQ. Miles/Percentage)	<u>5414</u> 18.39%	<u>3860</u> 13.11%	<u>20.167</u> 68.50%	<u>29.441</u> 100%
2	Allocation as per Krishna Water Disputes Tribunal Award (TMC./Percentage)	<u>133.70</u> 16.71%	<u>388.44</u> 48.56%	<u>277.86</u> 34.73%	<u>800</u> 100%
3	Utilization of water outside the Krishna basin (TMC./Percentage)	<u>53.60</u> 40.1%	<u>362.60</u> 93.33%	<u>Nil</u> Nil	<u>416.20</u> 52.02%

Note: 33 TMC of evaporation losses of Srisailem Hydro-Electric project allocated equally i.e., 11 TMC for each region.

Source: Report of the Expert Committee on utilization of River Waters in Andhra Pradesh Krishna River Basin – Vol.1 relevant extract

From the above, it is seen that the Tribunal has allocated 34.73% of Krishna waters to Telangana region against its due share of 68.5%, if the allocation is based on catchment area. This is against the international guidelines of sharing of waters based on catchments, rainfall, population, backwardness etc. Had Telangana been a separate State, the claim of Telangana would have been not less than 548 TMC. What has been allocated by the Tribunal (277.86 TMC) is just half of the rightful share that it is entitled to. It is painfully noted that Telangana region is deprived of even this meager quantity that has been allocated to it through discriminatory, unlawful and unethical acts of the State Government.

Table II.3 Status of projects on Krishna River after 1956

Sl. No.	Project	Rightful share	Deviations	Outcome
1	Jurala in 1980	Utilization 17.84 TMC; Dam constructed to store 11.94 TMC; Never filled to Full reservoir level (FRL)	Non payment of dues to Karnataka for evacuating people from submerged areas; Non completion of distributary system; Jurala waters used under RDS ayacut as the latter waters are diverted to KC canal; Also diverted sometimes to Kurnool of Rayalaseema	Full utilization is denied; Diverted to other project ayacuts

Sl. No.	Project	Rightful share	Deviations	Outcome
2	RDS		RDS waters diverted to hydel plant 'Swarna'	Utilization denied as water diverted through RDS to Swarna joins main river downstream
3	Nagarjunsagar LBC	161 TMC to Telangana and 25 to Andhra; 7.95 lakh acres to Telangana, 2.05 to Andhra	111 TMC to Telangana and 21 TMC to Andhra; 6.6 and 1.3 lakh acres to Telangana and Andhra; Actual ayacut reduced overtime to 6.02 lakh acres utilizing 100 TMC through gravity and lifts; Utilization in Andhra increased to 32.25 TMC and ayacut increased to 3.8 lakh acres; LBC dropped into Palair reservoir; On excuse that sufficient ayacut is not available in Telangana the same was raised in Andhra	Legitimate share of Telangana reduced from 111 to 100 TMC; Shortfall of 58,000 acres in ayacut of Telangana; No extra water allocated for this shortfall;
3	Srisailem Hydel project	Meant for power generation and not irrigation	GoAP converted it to irrigation reservoir	Power generation curtailed
4	Pothireddypadu Head Regulator (PHR)1983	To divert dependable water of 15 TMC to Chennai through Telugu Ganga and 19 TMC to Srisailem RBC and 29 TMC of surplus flows to Kurnool and Kadapa	No Central govt sanction to Telugu Ganga Project but GoAP spent huge amount; Number of balancing reservoirs constructed along Telugu Ganga; Drawing water out of basin by raising water level of Srisailem; PHR widened four times the present capacity to draw surplus flows within span of 30 days; Number of balancing reservoirs constructed to capture surplus flows into the Srisailem ; No balancing reservoirs planned similar to	Dependable flows diverted in the name of surplus flows; By diversion of dependable flows Telangana denied its due share; Drought affected Telangana districts having dependable water share languishing for want of proper storage in form of balancing reservoirs

Sl. No.	Project	Rightful share	Deviations	Outcome
			Rayalaseema projects for Telangana projects like Nettempadu, Kalwakurthy and SLBC depending on surplus flows for 90 days	

Box II.1

Case of Pulichintala Project

The Pulichinthala Project, now under execution is essentially envisaged to capture intermittent flows below the Nagarjunasagar Dam. The Tribunal did not agree to allocate any waters to Pulichinthala Project. The Project is meant to stabilize the Krishna Delta ayacut, besides providing irrigation to the second crop and third crop subject to availability of water. When commenced it did not carry any permissions from any authority except that of Central Water Commission. The essential clearances from Environmental Ministry of Union Government were lacking, yet the State proceeded ahead facing lot of hindrances from the Courts and criticism from voluntary agencies. One of the main objections raised against the Pulichinthala was that Government did not consider viable alternatives. The State Government promised to consider the suggestion of looking into the alternatives, but miserably failed to do so. The Project would submerge 30, 000 acres of land besides submerging thousands of tones of valuable limestone deposits, spread over 472 acres of land. The alternatives suggested by Sri Hanumantha Rao, Retired E-in-C could have served the objective of the Project without creating any submergence. But, the Government is adamant and not prepared to consider any suggestion. In fact the Environmental Act warrants study of alternatives. This shows that the Government does not respect any Environmental law, or any other law of land. It has a hidden agenda of promoting the interests of Andhra area at the cost of submerging valuable lands of Telangana, displacing number of hapless poor farmers of Telangana and disrupting the economy of the locals who loose the opportunity to work in the cement factories that would get displaced.

Box II.2 Rajolibanda Diversion Scheme (RDS)

An agreement was entered in to between the Governments of the Madras and Hyderabad in June, 1944 in regard to scheme for the partial utilization of the Tungabhadra waters. As per this, the Rajolibanda Canal proposed by Hyderabad will be treated on an equal status with that of an existing Kurnool-Cuddappa canal (KC Canal). Further, it stated in the agreement that at the point of diversion of the Rajolibanda Canal the natural flow will be divided half and half between Madras and Hyderabad. (Agreement of June 1944 between Madras and Hyderabad).

Thus, it is evident that the allocation to the KC Canal and RDS Canal should have been equal. However, for the reasons best known to the Government of Andhra Pradesh they have not strongly put forward the claim that both these Projects should be treated on equal footing, with the result the Tribunal allocated 39.9 TMC to KC Canal and 17.1 TMC to RDS Canal. Out of the 17.1 TMC the Karnataka's share is 1.2 TMC and the rest (15.9 TMC) is the entitlement of the AP. (Mahbubnagar District of Telangana). (Chapter XIV: Apportionment of the water of the river Krishna).

In reality, the Mahbubnagar district never realized more than 6-7 TMC against their share of 15.9 TMC. A perusal of the record of the utilizations of the Project reveals the facts (GoAP, GO No 645, 2004). The Government on several occasions admitted openly that the main reason for shortfall in supply to RDS Ayacut is that there are a few construction sluices (Openings) that remained unplugged in the RDS anicut built across the Tungabhadra River. (I&CAD, GO Ms No 194, 2003). The waters that were due to the RDS Canal pass through these unplugged holes of anicut downstream to the Sunkesula anicut to serve the farmers of the KC Canal. The KC Canal farmers are reaping the benefits of these additional waters that legitimately belong to the RDS farmers and made available to them due to the inefficiency and inability of the Government of Andhra Pradesh in not plugging the illegal construction sluices. Some efforts, which were made in the past to plug these holes in the anicut were made futile by the brutal force used by the KC Canal farmers. The net result is that while the KC Canal farmers are enjoying the waters of Tungabhadra much more than their legal share, the poor farmers of the Mahbubnagar district stand to lose. This is a classic example to show the partial attitude of the government of Andhra Pradesh and the discriminatory approach adopted by them towards the Telangana region.

Instances of deprivation of rightful share in Krishna waters

- From the beginning, the Right Bank Canal of Nagarjunasagar serving Andhra area is being shown preference over the Left Bank Canal, which serves part of Andhra area besides Telangana. Whether it is a matter of allotment of funds or designing the size of Canals, fixing the levels of the canals or releasing the water from the reservoir etc., the partiality is clearly visible. The expenditure figures reflecting in the form of potential that has been reported in the annual budget of Government of Andhra Pradesh for some of the years make this fact evident.
- Irrigation given priority by state even in the case of hydel projects curtailing power generation
- Inadequate creation of balancing reservoirs for projects in Telangana to store excess water and preference to Andhra projects
- Dependable flows of water rightfully the share of Telangana projects are diverted successfully in the name of surplus flows to Andhra projects

II.4 Sharing of Godavari Waters

As per the Bachawat Tribunal for Godavari Waters about 1480 TMC could be utilized as dependable flow by Andhra Pradesh. The catchment area of Telangana is 79% against 21% from Andhra. As per the guidelines of International Law Institute Telangana would have been entitled to 1169 TMC had Telangana were a separate State.

Except Sriramsagar Project (Pochampad) and Sir Arthur Cotton Barrage (Dhawaleshwaram Barrage) there are no other major structures on Godavari in Andhra Pradesh. Now, there is a proposal to construct Polavaram in Andhra area, Yellampally, Devadula, Kanthalapally, Pranahitha-Chevella and Dummugudem in Telangana. While, Polavaram is a gravity scheme all projects contemplated in Telangana are lift schemes requiring huge power. Pochampad (SRSP) the only major irrigation project taken up in Telangana after state formation has been incapacitated viz it has achieved only 65% of irrigation potential envisaged and still worse is that actual potential utilized is just 22% of originally planned (Table III. 4). The condition of Nizamsagar built by the Nizam government had suffered badly due to heavy siltation which lost 60% of original capacity in 42 years.

- Projects undertaken under Jalayagnam have not added any additional ayacut even after considerable investments due to improper planning; thin spread of financial resources; inadequate funding; using projects as balancing reservoirs for supplying drinking water to Hyderabad city denying irrigation requirements of farmers.
- GO 34 issued by Irrigation and command Area Development department dated 9 February 2007 says that micro irrigation would be implemented for entire lift irrigation system projects in Telangana. Experience with Kuppam micro irrigation system in Chittoor district introduced during Chandra Babu Naidu's regime proved to be a failure. It was contemplated that projects under Jalayagnam would irrigate to the extent of 10,000 acres per each TMC of water, whereas it is only 4000 acres per TMC for Andhra region.
- Inchampally project, proposed across Godavari 12 km downstream of confluence of tributaries Pranahita and Indravati was left lurching due to adamant and procrastination attitude of GoAP. Inchampally was a good opportunity to provide irrigation to 3.32 lakh acres to Karimnagar, Warangal and Khammam districts by gravity. The whole controversy was regarding its height. GoI suggested reducing height to reduce submergence but GoAP did not relent and hence Telangana lost opportunity of irrigation and also power generation. Instead now the government is taking up Polavaram in a very steadfast manner despite interstate controversies and not having environmental and forest clearing and heavy submergence of Koya tribe in Khammam district.
- Inter-state projects like Lower Penganga and Lendi which would have benefited Telangana farmers not taken up because of lack of persuasion and commitment

- Except two projects SRSP Stage-II and Flood Flow Canal projects under Jalayagnam do not have Planning Commission clearances and face innumerable problems
- Of the projects undertaken under Jalayagnam SRSP-Phase II, Flood Flow Canal (SRSP), J Chokka Rao LIS, Alisagar LIS, AR Gutpa LIS, have been given priority under Prime Minister's Package announced in the wake of severe agrarian distress and Farmers' suicides in all nine districts of Telangana. Funds under Accelerated Irrigation Benefit Programme (AIBP) central sector scheme have been allotted to these projects. Though SRSP stage II and FFC (SRSP) are scheduled to be completed by 2009-10 it seems unlikely because of undue delay in execution.
- As most of the projects under Prime Ministers' Programme have not yet achieved any irrigation potential, providing irrigation to farmers in distress in Telangana districts seems unlikely in near future (Mid Term Appraisal of XI Plan of Andhra Pradesh, CESS, 2009).

Table II.4 Status of projects on River Godavari in Telangana

Sl. No.	Project	Assured water/ cost / Irrigation potential	Utilization/ Deviations	Problems
1	Godavari Valley Project 1954 (refer table III.1) Pochampad Project in place of the above in 1959, presently called SRSP Stage-I, SRSP Stage-II and FFC	18.56 lakh acres in 5 districts (Nizamabad, Karimnagar, Warangal, Khammam and Nalgonda)	SRSP Stage-I completed; SRSP Stage-II and FFC not completed till date due to inadequate financial allocations;	Inflows reduced from envisaged of 196 TMC to around 150 TMC; Capacity of reservoir reduced from 120 to 80 TMC due to heavy siltation; Due to construction of projects upstream in Maharashtra inflows have reduced considerably
a	SRSP Stage-I completed by 2004	Irrigation Potential created 9.68 lakh acres by 2004	Only 65% irrigation potential created by 1990 though canal system started functioning in 1970; Potential actually utilized during 1990-95 is even lower ie 34% of potential created and 22% of envisaged Only 5 lakh acres irrigated by 2008 ; Kakatiya Canal designed initially upto 234 km, later extended to 284 km; Water flow not possible beyond 234 km in absence of assured flows	Kakatiya Canal (main canal) designed to carry discharge of 8500 cusecs of water is incapacitated due to faulty designing;

Sl. No.	Project	Assured water / cost / Irrigation potential	Utilization/ Deviations	Problems
b	SRSP Stage-II	Rs 1,098 cr IP of 4.4 lakh acres; Actually spent 763.6 crore	Claims to have created new potential of 1.64 lakh acres till 2010; No dependable water as SRSP Stage I irrigation is questionable from main SRSP reservoir	Nil additional ayacut
2	Nizamsagar Project on river Manjira	1931 2.31 lakh acres 58 TMC	No dependable waters from upstream; Badly silted hence lost 60% of original capacity; In 1992-93 WB lent Rs 30 cr but GoAP utilized only Rs6 cr; To supply water to tail end two lift schemes Alisagar and Gutpa commissioned	Presently irrigating only one lakh acres

Status of Projects undertaken under Jalayagnam (Telangana region)

Sl. No.	Project	Assured water (TMC)/Estimated cost (Rs.Crore)/ Ultimate irrigation potential (lakh acres)	Budget sanctioned Till 2010-11/ expenditure incurred (Rs cr)	Proposed completion date/ Remarks
1	SRSP Stage-II	1098 cr 4.4 lakh acres	Expenditure incurred 763.67 cr	No additional ayacut
2	Flood flow Canal (SRSP)	2.20 lakh acres (Karimnagar, Warangal, Nalgonda)	382.40 under AIBP	2009-10; Unlikely to be completed
3	JChokkarao Devadula LIS	38.18 TMC 6,016 Cr 6.21 lakh acres (Karimnagar, Warangal, Nalgonda)	Expenditure incurred 3565	2006 No additional ayacut created till date
4	Sripadasagar (Yellampally) 2005	2.00 lakh acres	Expenditure incurred 2224	No additional ayacut
5	Pranahita- Chevella	160 TMC 38,500 cr 16.4 lakh acres	1300	Work on I phase of drinking water supply started; Irrigation component shelved due to paucity of funds
6	Dummugudem NS Tail Pond	165 TMC 20,000 cr Substituting irrigation to NS ayacut		Works taken up at fast pace as it is intended to divert Godavari waters to Krishna basin; Deprives 165 TMC of dependable flows rightful share of Telangana to benefit Andhra area

Table II.5 Past and present scenario in irrigated area under Major and Medium irrigation projects

Time period	Total Ayacut (lakh acres) Proposed		Total Ayacut (lakh acres) Actual	
	Telangana	Andhra	Telangana	Andhra
Before merger	-	-	20.0	23.0 (8.0)
As on date	31.27	56.95	14.10 (5.0)	97.45 (8.0)

Source: D Bheemaiah (2010)

Note: Figures in parentheses indicate ayacut under minor irrigation

After the formation of A.P., during the course of 53 years period the irrigation improvement in Andhra region is expanded from 23 lakh acres to 97.45 lakh acres under major and medium irrigation. The rise is nearly 90 % of proposed irrigated area. The excess over the irrigation area of 23 lakh acres (pre-1956) is 323%. Where as in Telangana region the irrigation after 53 years in combined State of A.P., is 14.1 lakh acres which is 30% decrease over pre -1956 status. If minor irrigation is added it is 19.10 lakh acres then deviation for Telangana is less at 5% and irrigation in Andhra is 105.45 lakh acres in other words increase to Andhra is at 240% (Table II.5).

II.5 Destruction of Minor irrigation in Telangana

Minor irrigation system was developed by Kakatiya rulers, Qutubshahi rulers and Asafjahi rulers in every village of Telangana region. Asafjahi rulers used to collect land revenue through Nawabs and Deshmukhs appointed by the king. Every village was self-sufficient with food production and the entire village people were engaged with farming work and ancillary works. There was barter system for purchasing cloths and other domestic items in exchange of grain items. Therefore there was no need for anybody to go out of the village or to far off places to get work.

Before 1956 there were about 16000 big tanks having irrigation capacity of more than 100 acres, 60000 small tanks having irrigation capacity of less than 100 acres and about 4000 'kathwas' and cross bonding system which used to irrigate 5-10 acres and more than that also. Under these 70,000 systems about 15 lakh acres was being irrigated. Farmers used to produce rice crop under these tank systems. Maize, jowar, pulses, groundnut, seasmum were produced in the dry lands as rain fed crops.

The rainfall in north Telangana region is about 1050mm and in south Telangana region it is about 900mm from June to September months in each year. Tank system was life line for every village of Telangana. There are about 3 to 10 tanks in each village. If the tanks are filled up, open wells existing around these systems also get filled up. There are many streams flowing in every village. The tanks are designed in such a way that if one tank has surpluses the excess flood would flow to another tank down stream. The topography in the region is full of valleys due to which many streams are inter-connected. Therefore chain of tanks was constructed to utilize rain water in the rainy season to the maximum extent. There fore Warangal and Nizamabad districts were producing more rice crops and was feeding entire Telangana region.

After 1956, the A.P Government did not take interest to maintain number of minor irrigation tanks. Governments were more interested to develop major irrigation projects to suite their requirement but never interested to improve minor irrigation system. In that way many minor irrigation tanks were breached, many tank beds were silted up and the feeder channels were also silted up. The Government did not care to re-construct the breached tanks and allowed the entire minor irrigation to be destructed, so that, the unused water under Krishna and Godavari basins could be utilized for Krishna and Godavari delta.

At the time of allocation of assured water in Krishna & Godavari basins the quantum arrived under minor irrigation system of Telangana region was about 200TMC. This itself is ample proof that minor irrigation system was functioning with success. Major tanks like Ramappa, Paakala, Ghanpur, Laknavaram in Warangal district have been functioning successfully since more than 500 years and irrigating more than the registered ayacut.

Because the government did not respond either to take up new major irrigation projects or re-construct the breached tanks the farmers of Telangana region have resorted to private pumping system through bore wells, to eke out their livelihood. For these private pumping system farmers made investments by taking loans and erecting electricity motors which cost them Rs. 20 to 25000. By this time the number of pump sets working in Telangana region is about 18 Lakh pumps. Under each pumpset irrigation can take place to the extent of about 2 to 5 acres. On an average 3 acres for each pump set is being irrigated. The total irrigation under these pump set is expanded to the extent of 50 Lakh acres as against 2 lakh acres before 1956. In every 5 years the bores are being failed because of ground water level going down very fast. Therefore the farmer has to go for new bore. At that time out of 3 to 5 bores only one bore would become successful and that successful bore is utilized with electrical connections. In the process every farmer has incurred about more than 1 lakh per acre to continue irrigation under bore wells. Thus Telangana farmers had invested more than 25000 Crores for the last 45 years. This is besides cost of motors burnt due to erratic supply and limited period of supply of electricity. On the other hand Government has invested Rs. one lakh per acre to create irrigation facilities by gravity or by pumping in Andhra region and collects Rs. 200 per acre from Andhra farmers.

Chapter III

Development of Power Sector: Against Economic Logic

Exploitation of coal resources for generation of power has been taking place in Andhra Pradesh since the formation of state in 1956 to the detriment of Telangana region. Some of the deprivation indicators in power sector development in state of Andhra Pradesh are

- Shifting/diversion of projects supposed to be built in Telangana region
- Not taking up proposed projects in Telangana region where high potential exists which is uneconomical
- Delay in execution of projects citing petty reasons
- Making Telangana projects unviable by inflating the cost of project
- Giving undue priority to private power projects owned by Andhra capitalists at the cost of cheap hydro and thermal power
- Giving priority to irrigation at the cost of power generation in hydro power projects
- Glaring disparity in electrification schemes like construction of sub stations, HVDS, RGGVY and INDIRAMMA
- In the name of free power to Telangana farmers quality of power is not supplied and it became a pretext to hide all kinds of transmission losses

This chapter examines the story of exploitation in power sector in the light of above issues. A summary of the chapter is as follows

- In the wake of 1969 Jai Telangana agitation subsequent governments established power projects in Andhra region
- There are more number of power plants and higher power generation in Seemandhra than in Telangana
- It is clear case of discrimination and hence deprivation to Telangana as in all hydro projects power generation was given back seat and irrigation first priority by Seemandhra leaders
- Loss of generation capacity to Telangana region because of tactics employed like shifting location of project; diverting to central pool; delaying, awarding contracts to private parties; non allocation of assured natural gas (Tables IV.1 and IV.2)
- As a result of all the above the loss is in terms of employment opportunities (direct loss) and associated development of the region (indirect loss).
- Telangana region would have overcome the problems of power crisis and low voltages which is a common feature in the entire region because of high demand for power due to irrigation under ground water sources had all its projects been implemented
- All private projects (gas based) are located in Coastal Andhra. high cost is paid for power generated by them because of fixed costs during non generation period and variable costs during generation period; and also by reducing power generation in low cost thermal and hydro stations when demand is less
- Meters are not installed deliberately on the pretext of power being supplied at free of cost so that all kinds of transmission losses are shown against consumption of power by agriculture pump sets.

III.1 Diversion of projects to Andhra region

Telangana region is endowed with abundant resources of coal and water which are essential for setting up of generating stations. However rulers belonging to Andhra region with their bias towards Andhra region have preferred to construct the plants in Andhra region ignoring the interests of Telangana region. Technically, construction of pit head plants i.e. setting up plants where fuel is available is ideal for many reasons. Firstly, it would reduce the fuel transportation costs and thus reduce overall cost of generation which in turn reduces the burden on consumers. Secondly, extraction of coal through mining requires dislocation of large number of people from their habitat, causing lot of hardship to those people. However construction of plant at the same location gives some relief to them as it creates employment and development opportunities for the local people. The injustice to Telangana region on power front can be understood from Table III.1.

Table III. 1: Status of Power Projects: Injustice to Telangana

Thermal Power projects							
Sl. No.	Project	Location		Details	Type of injustice	Advantages	Loss to Telangana
		Proposed	Ultimate				
1	Manuguru	At pit head in Manuguru Division: Bhadrachalam, District: Khammam Region: Telangana	Vijayawada District: Krishna Region: Coastal Andhra	Year 1973; Installed capacity: 1000 MW; Uses coal from Singareni mines in Kothagudem, Preliminary work also was taken up	Shifted to Vijayawada despite coal transported from distance and hence high generation costs	If located at pit head could have avoided transport costs of coal	1760 MW
2	Royalaseema Thermal Power Plant (RTPP)	Kadapa Rayalaseema	Kadapa Rayalaseema	Uses coal from Singareni mines in Kothagudem, Khammam district Expansion to stage III and IV; Facing severe water crisis	Not being located at pit head despite having low generation costs;	If located at pit head could have improved production and overcome problems of low voltage	840 MW; Loss of water due to Mahbubnagar through Pothireddypadu head regulator
3	Super Thermal Power Project (STPP)	Ramagundam, District: Karimnagar Region: Telangana	Ramagundam District: Karimnagar Region: Telangana		Handed over from APSEB to NTPC (central govt undertaking) by GoAP deliberately	Total power generation to state if under APSEB	Only 27% of power generated allotted to state as project falls under central pool
4	Sattupalli Power	District: Khammam	District: Khammam	Installed capacity 600	Coal linkage not granted by	Cheap power since located at	600 MW not yet started

Sl. No.	Project	Location		Details	Type of injustice	Advantages	Loss to Telangana
		Proposed	Ultimate				
	Station	Region: Telangana	Region: Telangana	MW Proposed by APGENCO All clearances are there	ministry of Coal; Technical snags	pit head	generation
5	Kakatiya Thermal power Project (KTPP) Stage II	Village: Chelpur Mandal: Ghanpur District: Warangal Region: Telangana	Village: Chelpur Mandal: Ghanpur District: Warangal Region: Telangana	Year 2009; All clearances are there; Proposed by APGENCO	SCCL could not get the contract for mine operator and developer due to unwanted conditions; Andhra contractors favoured in giving the contract	SCCL as contractor would have played safer and better role	Delay in execution; High generation cost
6	BPL	Ramagundam District: Karimnagar	Ramagundam District: Karimnagar	Mid 1990s Installed capacity 520 MW(2*260); Initially awarded to BPL, later APTRANSCO cancelled PPA due to non fulfillment of conditions	APTRANSCO revived the PPA with BPL at high unit cost	If APGENCO handled the project instead of BPL the generation costs could be lower	Awarding project to BPL will deny job opportunities to Telangana people; High generation costs

Gas Based Power Projects

1	Shankarpally	Rangareddy district	shelved	Year 2000-01 Installed capacity 1400 MW; Planned by APGENCO; All clearances are there	Shelved the project initially and dropped in lieu of Karimnagar gas project (at behest of Andhra lobby wanting private gas based projects)	Power demand of twin cities could have met	1400 MW
2	Combined Cycle Gas Based Project	Nedunoor in Timmapur mandal in Karimnagar district	Nedunoor in Timmapur mandal in Karimnagar district	Estimated cost Rs 5520 cr; Installed capacity 2100 MW(3*700); Proposed by APGENCO; All clearances are there ; Uses natural gas to be procured from KG basin; Foundation laid for one unit (700 MW)	No firm allocation of gas; Instead allocation to 7000 MW capacity power projects owned privately by Andhra capitalists	Solves power crisis of Telangana region; Solves low voltage problems	Expensive imported R-LNG as fuel will escalate production costs; Not clear about installed capacity

Sl. No.	Project	Location		Details	Type of injustice	Advantages	Loss to Telangana
		Proposed	Ultimate				
Hydro Projects							
1	Tail Pond Dam , Nagarjun sagar	Nandikonda District: Nalgonda Region: Telangana	Not constructed	Construction of Tail Pond downstream of Sagar main dam would pump back water used for power generation All clearances are there long back in 1983	Tail Pond not constructed to date solely to release water to Krishna delta for second and third crops at the cost of first crop under Nagarjunsagar dam	Assured water source for farmers under Nagarjunsagar dam	Denied assured water source for first crop from 1983 onwards
2	Kinnerasani Project	Godavari river District: Khammam Region: Telangana	Godavari river District: Khammam Region: Telangana	Meant for providing water to Kothagudem Thermal Power Station (KTPS); Constructed by irrigation department by 1970-71; Installed capacity 1180 MW; Contemplated to add 500 MW ; Though planned as multipurpose later became purely power project	Since 2001 water released to Dhavaleshwaram downstream for irrigation of farmers in Godavari delta ; Power generation in KTPS is risked	If water was conserved for KTPS power generation there would be no scarcity of water; Higher power generation	Loss of power generation due to non availability of water

Box III.1

Shifting of Manuguru (Bhadrachalam) Power Project from Manuguru to Vijayawada

Andhra rulers have shifted the plants supposed to be built in Telangana region to Andhra region. With the 1969 Telangana movement, Andhra rulers have realized that one day they should be prepared for separation of State and decided to hasten the exploitation process. This attitude resulted in shifting of plant supposed to be built at Manuguru, Khammam district to Vijayawada during 1973. In fact even the administrative report of 1978-79 of erstwhile APSEB at para 1.1.3 clearly mentions that the proposal of construction of 1000 MW pithead thermal power station at Manugur coal mines and the preliminary work had already been taken up. It also mentions that certain civil works have already been commenced and expenditure incurred (Annexure-1). However there was no mention of this project in the subsequent Administrative reports of APSEB. Thus Telangana region has lost 1760 MW of installed capacity and also associated employment opportunities and development of the region. Vijayawada Thermal Power Station (VTPS) is now renamed as Narla Tatarao Thermal Power Station (NTTPS) after the demise of Sri Narla Tata Rao who was instrumental in building VTPS at the expense of Telangana region.

Major policy decisions implemented in APSEB from 1974 to 1988 proved highly detrimental on power and irrigation fronts to Telangana. Narla Tata Rao from Andhra region was the chairman of APSEB and later was Technical Advisor to GoAP had a major role in making these policies. He believed that electricity should be in Central list and centre should construct all large generating pithead stations and distribute power to needy states. While no body disputes with the noble idea of Sri Narla Tata Rao that equitable distribution of resources is essential for all round development of the country, the question that remains to be answered is why he had adopted double standards when it came to constructing large power projects in Andhra region in State sector, that too by shifting them from backward region of Telangana? Thus political leadership along with bureaucracy from Coastal Andhra had all the while been implementing policy of discrimination in power sector which led to deprivation in terms of generation, quality of power and inadequacy to fulfill the demand.

Box III.2 Combined Cycle Gas Based Project near Karimnagar (3X700MW)

APGENCO proposed to construct a 2100 MW (3x700MW) combined cycle gas based power project at Nedunoor (V), Timmapur (M) Karimnagar District, 140KM from Hyderabad, on the Karimnagar-Hyderabad highway with an estimated cost of Rs 5520 cr. This works out to Rs 2.63 crore per MW and could be treated as the cheapest power projects taken up by APGENCO in the last decade. This project has been taken up through Special Purpose Vehicle (SPV) with a name "Andhra Pradesh Power Development Company Limited". Detailed Project Report has been finalised. Land required for the project is around 432 acres and the land acquisition is also completed. Water requirement is 84405m³/day which is proposed to be tapped from Lower Manair Dam. Irrigation Department has allocated 1.3 TMC of water from Lower Manair Dam. Public hearing at the site was conducted on 18.01.2007. Environmental clearance was granted by Ministry of Environment and Forests on 7.6.2007.

This project uses Natural gas as primary fuel. Project requires 8MCMD of natural gas. The gas required for the project was supposed to be procured from the KG basin through a dedicated spur pipe line from the main pipe line near Shamirpet, which is about 110Km from the project site. The first unit was supposed to be completed within 27 months and the balance two units at 3 months intervals. Although all clearances are available this project could not be taken up due to lack of firm allocation of natural gas for this project. APPDCL invited tenders for this project, but due to non availability of firm allocation of gas, the tenders have been postponed. Though huge reserves of natural gas are available in KG basin sheer neglect of Andhra rulers has led to this situation. Andhra capitalists, led by Sri Lagadapati Rajagopal, lobbied for allocation of natural gas for their projects and obtained allocation of natural gas for their own selfish needs. A total of 7000 MW capacity power projects, owned entirely by Andhra capitalists, are under pipeline, all of which use natural gas from KG basin, but not a single gas project is taken up by APGENCO. This is done only to favour Andhra capitalists. These Andhra capitalists feel that if natural gas is allocated to Karimnagar project, their projects may not get natural gas allocation.

All this and neglect of Government led to a situation where APGENCO is forced to take up the project with expensive imported R-LNG (Regasified-Liquified Natural Gas) as fuel. With R-LNG as fuel generation cost is very high and it would be impossible to find financier for this project. If at all this project materializes, the entire burden has to be transferred on to the consumers.

In its eagerness to show that they are serious about the project, Government of AP laid foundation stone for this project on 14th February, 2010 for 700 MW units. But government has not disclosed the details of financing agency, fuel supplier, cost of generation and whether the infrastructure is created for entire 2100 MW or not. Government says once it starts the project it may likely to get gas allocation from Ministry of Power & Natural Gas, GOI. But if such is the case which supplier of LNG would come forward to supply fuel knowing fully well that the fuel supply agreement will any way be cancelled. It is also to be mentioned that East-West gas pipe line carrying gas from KG Basin to the western India passes through Telengana. But this Telengana project will not get any gas from this source!

Table III.2 List of Projects identified but not taken up in Telangana Region

Sl. No.	Name of the Project	Location	District	Capacity	Ref. (APSEB Adm. Report)
1	Kuntala Hydro Electric Scheme	Across river Kadam	Adilabad	24 MW	1966-67
2	Pranahita Hydro Electric Scheme	Across river Pranahita, a tributary of Godavari	Adilabad	280 MW	1966-67
3	Inchampally Hydro Electric Scheme	Across Godavari	Karimnagar	600 MW	1966-67
4	Singareddy Hydro Electric Scheme: Dummagudem	Across Godavari	Warangal	192 MW	1966-67
5	Dindi Hydro Electric Scheme	On North East canal of the project	Nalgonda	21 MW	1966-67
7	Sankarpalli Gas Power Station	Sankarpalli	Ranga Reddy	1400 MW	2000-01
8	Karimnagar Gas Power Station (recently laid foundation stone to 700 MW unit)	Nedunuru	Karimnagar	2100 MW	2004-05
	Total			4617 MW	

Source: APSEB Administrative Reports, Various Years

Table III.2 lists out the projects identified but kept in cold storage by the united state which cumulatively was a loss to the extent of 4617 MW of power. Another act of deprivation is glaring in the Srisailem hydro power sector. After Congress government came to power in 2004 it issued a GO 107 which fixed the water level in Srisailem at 854 ft. and power generation kept at minimum possible at 4-5 Million Units per day (while the potential power generated could be 40 Million units) in all months except during over flood period. Reservoir was filled upto 883 ft or full reservoir level (FRL) only to draw more water from the Pothireddypadu head regulator to Rayalaseema region via Kurnool district. Thus power generation was not allowed at Srisailem which is evident by the fact that power generated per month during 2004 to 2008 was just 50% of full generation capacity. Instead of allowing to generate power which costs 30 paise/unit power is being purchased by government at Rs 5.00/ unit incurring a loss of around Rs4000 crores for not generating power at both Srisailem and Nagarjunsagar. This is nothing but favouring rich and powerful capitalist lobby of Coastal Andhra including the richest MP Lagadapati Rajagopal and resorting to deliberate deprivation to Telangana.

III.1.2 Abnormal delays in construction of Substations for Telangana Lift Irrigation Projects

Government of AP has taken up several irrigation projects in the state. As part of that some Lift Irrigation Schemes (LISs) are proposed to being built in Telangana region also. Electric Sub-stations are required for supply of power to these LISs.

It is interesting to note that while Substations for LISs of Andhra region are being executed by APTRANSCO itself, most of the substations for LISs of Telangana region are executed by Irrigation department. It is not clear why irrigation department was entrusted with the job of construction of sub-stations for Telangana LISs which does not possess expertise in construction of sub-stations. Obviously this has resulted in very poor progress of works of substations of Telangana LISs and on the other hand substations in

Andhra region whose works have commenced at a much later date are nearing completion. Even those sub-stations taken up by APTRANSCO in Telangana region are progressing at a very slow pace.

A detail of sub-station works for Lift Irrigation Schemes in Telangana and Andhra regions and their present status is given in the tables IV.3 and IV.4. Mahboobnagar district is the most deprived and hence deserves priority in completion of LISs, but the fact is it occupies the last priority which is made clear by the amount released to TRANSCO which is hardly 10.3 percent of the estimated cost by the GoAP for completion of the projects. Same is the case with substations meant for Sreepadasagar LIS in Karimanagar. But work on substations situated in Seema (Anantapur, Kurnool and Kadapa) take place at jet speed and full allocation of funds. Why is this discrimination?

Table III.3: Details of EHV Substations and Transmission lines in Mahaboobnagar District

Sl. No.	Name of the Scheme	Name of the Substations	Total Amount to be paid to Transco (Rs in Cr)	Amount released so far to Transco (Rs in Cr)	Balance to be paid to Transco (Rs in Cr)
1	Rajeev (Bhima) Lift-I Irrigation Scheme	Panchadevpadu, Khanapur	8.04	8.04	Nil
2	Bhima Lift-II Irrigation Scheme	Thirumalayapalli, Kothakota	8.52	Nil	8.52
3	Mahatma Gandhi (Kalwakurthy) Lift Irrigation Scheme	Regumanugadda, Jonnalaboguda, Gudipallygattu	103.89	Nil	103.89
4	Nettampadu Lift Irrigation Scheme	Gudamdoddi, Marlavidu	30.84	Nil	30.84
5	Koilsagar Lift Irrigation Scheme	Nagireddypalli, Marikal	8.43	8.43	Nil
	Total		159.72	16.47 (10.31%)	143.25

Table III.4: Details of EHV Substations and Transmission lines in Karimanagr (Telangana), Anantapur, Kurnool and Kadapa (Seemandhra) District

Sl. No.	Name of the Scheme	Name of the Substations	Total Amount to be paid to Transco (Rs in Cr)	Amount released so far to Transco (Rs in Cr)	Balance to be paid to Transco (Rs in Cr)
1	Sripadasagar LIS Karimnagar Telangana	Yellampalli, (under progress) Work not commenced. Gangadhara Vemnur Medaram Tenders not called yet. Kodimial Narsingapur	189.36	106.95	82.41

Sl. No.	Name of the Scheme	Name of the Substations	Total Amount to be paid to Transco (Rs in Cr)	Amount released so far to Transco (Rs in Cr)	Balance to be paid to Transco (Rs in Cr)
2	HundriNeeva Sujala Sravanthi LIS Anantapur Rayalaseema	Regulapadu Ankampalli Dhone Malyal Brahmakotkur	combined 367.33 Nearing completion	360.00	7.33
3	Kurnool LIS Kurnool Rayalaseema	Krishnagiri Lakkasagaram Kambalpadu Settipalli			
4	Galeru Nagari- Chitravati	GKLIS Kondapuram Thimmapuram Yellanur Gaddamvaripalli Goddumarri	200.26 Nearing completion	200.26	Nil

III.1.3 Neglect of Telangana in the implementation of High Voltage Distribution System (HVDS)

High Voltage Distribution System (HVDS) aims at the replacement of the low voltage network and installation of large number of smaller capacity 11KV/400 V transformers viz. 25 kVA and 16kVA for supply to agricultural consumers. This system is best suited to meet the scattered low-density loads, observed in the rural areas in India. The benefits of implementation of HVDS are many.

Agricultural pumpsets in Telangana region are more compared to Andhra region. Also quality of supply is not good considering the demand vs installed capacity in this region. But the implementation and progress of this scheme indicate clear bias of the Andhra rulers towards their region and complete neglect of Telangana region.

Table III.5: Progress in Implementation of HVDS to Agricultural Pumpsets

Region	No of Agricultural services as on 31-03-2009	HVDS implemented services	% total services selected in each region	Expenditure incurred (Rs crores)	% of total expenditure
Andhra	1114114	377117	33.80	1310.55	73.1
Telangana	1566557	199413	12.70	483.61	26.9
Total	2680671	576530		1794.16	

It can be seen that only 12.70% of total services in Telangana region are so far covered under HVDS scheme, whereas 33.80% of total services are covered in Andhra region. This has clearly resulted in higher allocations to Andhra region. Andhra region got 73.1% of the total funds released so far under this scheme, clearly indicating the discrimination against Telangana region (Table IV.5).

Neglect of Telangana Region in various electrification schemes taken up by Central Government

a) Indiramma programme

Government of Andhra Pradesh has launched “Indiramma” (Integrated Novel Development in Rural Areas and Model Municipal Areas) scheme from 1st April 2006 for achieving 100% saturation in Model villages in each district as identified by the district administration. Progress of works under this program shows clear neglect of Telangana region.

Table III.6: Progress in Electrification of Rural and Urban households under Indiramma Scheme upto 30-11-2009

Region	Rural	Urban	Total	%
Andhra	1327141	143563	1470704	76.1
Telangana	437413	22579	459992	23.9
Grand Total	1764554	166142	1930696	

It can be seen that 75% of the total households electrified are in Andhra region.

b) Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)

The Government of India has introduced Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) programme in the year 2005 with an aim to provide access to electricity to all the households in the country within 5 years. The RGGVY programme has been launched by the Hon'ble Prime Minister on April 4th, 2005. The outlay is Rs 810.33 crores for four DISCOMS, out of which Rs 406.83 crores is for infrastructure development and Rs 401.89 crore is for electrification of 2499517BPL households. Funds released by Rural Electrification Centre (REC) so far under this programme clearly reflect the progress achieved in Andhra and Telangana regions under this program.

Table III.7 : Release of Funds by REC Under RGGVY upto 30-11-2009

Region	Funds Released	% of Total
Andhra	329.20	70.5
Telangana	138.39	29.5
Total	467.59	

1.2. Region wise Demand vs generation capacity in Andhra Pradesh:

Telangana is endowed with huge reserves of coal and abundant water which are essential inputs for the generation of power. Also demand for power for agriculture is slightly high in Telangana region as canal and Tank irrigation is totally neglected and people in this region are forced to depend on expensive pumpset mode to draw ground water. But when we look at the installed capacities in various regions, injustice done to Telangana region will be clearer. Following table gives region wise installed capacities in Andhra Pradesh.

Table III.8: Region Wise Installed Capacities

Installed Capacity	Telangana		Andhra		Total
	MW	%	MW	%	
Existing	4764	34	9258	66	14022
Under Constn/ Development	5936	25	17568	75	23504
Total	10700	28.5	26826	71.5	37526

Table 1II.9: Region Wise Demand

	Telangana		Andhra		Total
	MW	%	MW	%	
Max Demand as on 05-03-2010	5481	52	5091	48	10572

Note: Source for the data provided in the tables in this chapter has been given by the authors in the form of Annexures which have not been appended to this report.

It can be seen that existing installed capacity in Telangana region is only 34% of total installed capacity, whereas the restricted demand stands at 52% resulting in huge demand supply gap. Main reason for this shortfall is that several projects planned in this region were shifted to Andhra region and coal reserves of Telangana are used for power generation for these shifted plants. Most of the installed capacity in the Telangana region comes from Hydel projects which were taken up primarily to cater to the needs of Andhra region. Also construction is not taken up at many potential locations in Telangana region for many decades leading to power crisis and low voltage problems in this region. Further, most of the new generating capacities under construction/ development are coming up in Andhra region. While 17568 MW are planned in Andhra region, only 5936 MW are coming up in Telangana region. This is reducing the share of Telangana from 34% to 28.50%.

Chapter IV

Development Denied: Pattern of Revenue and Expenditure of Telangana

Hyderabad state at the time of merger with Andhra state in 1953 had a surplus budget. In fact the apprehension at that time was that the Telangana surplus would be diverted away from development of Telangana region. The apprehension came true which became one of the main causes for the outbreak of agitation in 1969. Often it is argued that Telangana cannot be economically viable and hence statehood to Telangana cannot be possible. This is falsified argument as there is evidence to Telangana having surplus on revenue account at the time of state formation and subsequently Lalith and Bhargava Committees have estimated such surpluses to be around Rs 64 crores during 1956 to 1968. After the abolition of Telangana Regional Committee in 1973 GoAP has stopped providing statistics on revenue and expenditure based on region as unit. Revenue and expenditure data at district level had been made available from the decade of nineties and data for some select years during the decade of 2000 shows the same trend of revenues being higher than expenditure is continued. The earlier chapters on Irrigation and Power make very much evident how Telangana had been deprived of share of resources due to under investment on capital account. Very often government had put aside projects contemplated for Telangana on pretext of 'paucity of funds' which is a blatant lie. Having physical resources and also financial surplus on revenue account why the state of Andhra Pradesh had been so insensitive to the development needs of the region and its people?

IV.1 Budgetary Surplus of Telangana during 1956-68 – Estimates of Lalith and Bhargava Committees

Telangana people have been complaining about violation of Gentlemen's Agreement (of 1956) and other safeguards given to the people. An assurance was given in the Gentlemen's Agreement that the surplus in Revenue Account of Telangana would be spent in Telangana only. Soon concerns were expressed as to shortages in expenditure in the "as a matter of right due share" of Telangana from the total expenditure of the state. Later Kumar Lalith given the task of assessing the surplus due to Telangana for the period 1956-68 and by March 1969 submitted Report. There are difficulties in identifying and assigning certain incomes and expenditures which are of macro nature such as major irrigation, general administration, grants and share in central taxes. Lalith Kumar allocated such amounts in the ratio of 2:1 (or 66.7%: 33.3% between Andhra & Telangana) which is supposed to be based on population shares of the regions. However, adherence to the ratio led to underestimation of surplus because Telangana's due share was not 33.3% but 35.3% as per the Census of population.

Revenue Receipts and Expenditures in Telangana & Andhra

During 1956-68 without exception, in all the years, the relative share of Telangana in total revenue was higher than its share in total expenditure of the state leading to surplus and that of Andhra deficit. (its share in total expenditure is higher than its share in total revenue of the state), vide Table IV.1. For simplicity, ignoring annual variations and looking at the 12 year totals as a whole, it is estimated that while Telangana's share in the revenue receipts was 42%, its share in revenue expenditure was 37% viz a shortfall /

under-spending of 5% points (42-37) equal to Rs. 64 crores. This amount represents surplus of Telangana in revenue account. In Andhra the corresponding figures are 5% points excess spending equal to Rs.53 crs.

Table IV.1 Relative Shares of Andhra & Telangana in Revenue Receipts & Expenditure (%)

Year	Revenue Receipts			Revenue Expenditure		
	Telangana	Andhra	AP (3=1+2)	Telangana	Andhra	AP (6=4+5)
	1	2	3	4	5	6
1956-57	43 (11)	57 (14)	100	28 (7)	72(16)	100
			(25)			(23)
1958	36 (22)	64 (40)	100	34 (19)	66(36)	100
			(62)			(55)
1959	40 (27)	60 (41)	100	35 (22)	65(41)	100
			(68)			(63)
1960	42 (35)	58 (47)	100	35 (26)	65(49)	100
			(82)			(75)
1961	39 (34)	61 (51)	100	35(30)	65(55)	100
			(85)			(85)
1962	44 (38)	56 (48)	100	37(34)	63(57)	100
			(86)			(91)
1963	43 (45)	57 (60)	100	38(39)	62(62)	100
			(105)			(101)
1964	40 (51)	60 (76)	100	37(42)	63(73)	100
			(127)			(116)
1965	41 (54)	59 (78)	100	38 (48)	62(79)	100
			(132)			(127)
1966	44 (61)	56 (78)	100	38(56)	62(90)	100
			(139)			(146)
1967	45-70	55 (87)	100	38(64)	62(106)	100
			(157)			(170)
1967-68	41 (67)	59 (99)	100	38(65)	62(106)	100
			(166)			(171)
Total	42 (515)	58 (719)	100	37(451)	63(772)	100
(1956-68)			(1234)			(1223)

Source: Lalith Committee Report on the Amount of Telangana Surplus, 1969. Cf. Ch H Rao, Regional Disparities, Smaller States and Statehood for Telangana, Academic Foundation 2010, Ch VII.

Notes: 1. Figures in parentheses is Rs. crores. 2. Andhra means CA+RS.

Estimation of Telangana Surplus based on actual population

The due share of Telangana as per 1961 population was 35.3% and not 33.3% and therefore the surplus would be higher than the amount estimated by the Committee (at Rs.64 crores). Further, as Rs.4 crores excess amount was spent in Telangana region in Capital Account hence the Revenue Account surplus gets reduced marginally. As the net surplus amount was not spent on development and hence loss of incremental income to Telangana, it is necessary to consider opportunity cost, say equal to 20% social rate of return. When this is considered, the accumulated surplus would be over Rs.100 crores and allowing for inflation rate (about 30 times increase in prices since then) at 2007-08 prices, the surplus unspent in Telangana region would work out to Rs.2300 crores. Had the surplus revenue of Telangana been spent in the region in the relevant period, due to setting up of new projects and multiplier effect, inequalities would have been narrowed down. Whatever was the surplus in revenue account of Telangana, it should be viewed as

a Reserve Fund of Telangana which should be prospectively spent in Telangana reducing the expenditure in Andhra area to the same extent.

To thoroughly enquire into the varying estimates and determine Telangana surplus, the Prime Minister of India suggested appointment of a High Powered Committee headed by a Supreme Court Judge, Justice Vashisht Bhargava with two members. It submitted a Report to the union government by the end of 1969. It is interesting to find that the difference in the estimated surpluses of Telangana by the Lalith and Bhargava Committees is not much.

IV.2 Revenue-Expenditure Shares of the Regions in the recent four years

After the abolition of Telangana Regional Committee, the government stopped the publication of region-wise revenue-expenditure data. After a lot of pressure in Lagislative Assembly, in March 2007, the government gave an abridged region-wise budgetary allocations covering major revenue-expenditure heads for only four years between 2003 and 2007.

Revenue from Select Important Taxes –Relative Share of Telangana

To visualise a broad picture of Revenues raised from Telangana in relation to Andhra during a longer period covering 1956-2008, we pooled data from the Statistical Abstracts of AP. Among the taxes levied and collected by the state government, the two principal taxes are Sales (Commercial) Tax and State Excise Duty². For the fiscal year 2008-9 grants, non-tax revenue and share in central taxes account for about 18%, 12% and 19% respectively and that of State's Own tax Revenue 51% in the total revenue of the state. In the latter, Sales Tax claims lion's share of about 69% followed by State Excise Duty 13% and, Stamps and Registration 10%.

TableIV.2 Relative Shares of the Regions in Revenue from Major Taxes (%)

Year	Land Revenue (Water Tax)				Sales Tax Commercial tax						State Excise Duty					
	CA	RS	Telangana	AP	CA	RS	Telangana excl Hyd	Hyderabad	AP (5-8)	Tel+41% of Hyd	CA	RS	Telangana excl Hyd	Hyderabad	AP (11-14)	Tel+41% of Hyd
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1956-57	NA	NA	NA	100	NA	NA	NA	NA	100	NA	NA	NA	NA	NA	100	NA
1960-61	61	11	28	100	56	10	12	22	100	21.02	3	(-)	79	18	100	86.38
1970-71	47	13	40	100	48	11	9	33	100	22.53	29	15	51	5	100	53.05
1980-81	79	4	17	100	43	7	14	36	100	28.76	47	13	33	7	100	35.87

² In 1956-7, Land Revenue (including Water Tax) was an important revenue source with a share of 31%, but today it is the least important source contributing 1%.

1990-91	61	9	30	100	36	5	15	44	100	33.04	56	13	25	6	100	27.46
2000-01	76	4	20	100	21	3	17	59	100	41.19	25	10	37	28	100	48.48
2001 -02	86	3	11	100	20	3	10	67	100	37.47	43	13	33	11	100	37.51
2002 -03	79	4	17	100	21	3	15	61	100	40.01	22	8	34	36	100	48.76
2003-04	74	7	19	100	21	3	14	62	100	39.42	23	8	38	31	100	50.71
2004-05	90	1	9	100	20	4	11	65	100	37.65	18	7	36	39	100	51.99
2005-06	81	4	15	100	21	3	12	64	100	38.24	19	8	34	39	100	49.99
2006--07	64	15	21	100	15	3	12	70	100	40.7	NA	NA	NA	NA	100	NA
2007-08 (RE)	86	4	10	100	15	3	11	71	100	40.11	NA	NA	NA	NA	100	NA
2008-09 (BE)	85	4	11	100	14	3	11	72	100	40.52	NA	NA	NA	NA	100	NA

Source: Statistical Abstracts, Directorate of Economics and Statistics, GoAP
CA= Coastal Andhra; RS= Rayalaseema

It is observed that Coastal Andhra during the period of analysis posted much higher share in land revenue than Telangana and Rayalaseema. Sales Tax and State Excise Duty are shown for CA, RS, TNA (excluding Hyderabad) and Hyderabad separately. It is found that over a period of time share of CA in Sales Tax had fallen and that of Hyderabad has risen. In 2005-06 Telangana's share in Sales Tax revenue was 12% and if 41% of share in Hyderabad Sales taxes have been added to Telangana share (based on population share as per 1991-2001 censuses) it amounts to nearly 38.24% in total sales tax. In the case of State Excise Duty Telangana share has been high during 1960-61 (79%) and 1970-71 (51%) and for the year 2005-06 it dropped to 34%. Andhra posted low share in the beginning reached peak by 1990-91 but by 2005-06 fell to 19 percent. Share of Hyderabad improved and reached 39 percent by 2005-06. Telangana along with its share in Hyderabad (41% as per proportion of population) shows nearly 50 percent of total State Excise duty. Thus Telangana's share in Sales Tax could be nearly 40 percent and that of Excise Duty around 50 percent (Table IV.2).

Forest, Mineral & Transport Revenues—Regional Shares

Although revenue to government from forest, mineral and transport revenues sources is not an important source, they have many externalities positive and negative. Here again, Telangana is in an enviable position with a dominant share of about 50% in forest revenue (about Rs.60 crs.) Its share is more than 2 times higher than that of CA and RS [68% Telangana, CA and RS=30 % (26+4)]. With regard to revenue from minerals, the contribution of Telangana is 56% in 2008-9 (about Rs.1750 crores.) and its share in transport (including Hyderabad) around 55%.

Sale of Land for Financing AP Plan

It is interesting to note that the government, in the name of financing a part of the Plan attempted a novel method to mobilize finance. In getting approval for the enhanced outlay of AP Annual Plan for 2008-09 (to Rs.44000 crs over Rs.30000 crs Annual Plan of 2007-08), the Planning Commission was assured that Rs.12000 crs would be mobilized by sale of lands (actually realized Rs.6568 crores vide the Letter written by the Deputy Chairman of Planning Commission to the Prime Minister, Vaartha, Daily

Newspaper, Nov.11, 2008). It is learnt that out of the sale proceeds of the lands, bulk was mobilized from Telangana by selling lands situated in the outskirts of Hyderabad and the amount was diverted for expenditure in Andhra.

Relative Shares of Telangana in Total Revenue & Expenditure of the State during 2003-07

To enquire whether Telangana received its due share in allocation of resources in the recent four years, we look at sum total of revenue from five major sources and expenditure on eight important heads as shown in Table IV.3

When the revenues from four sources (excluding income from Transport) are combined, it can be inferred that Telangana has a higher share compared to the other two regions. Ignoring share of Telangana in revenues from Hyderabad/ Head Offices (according to proportion of its population), revenue share of Telangana was higher than that of CA (cols.4 and 2, table IV.3). Revenue from Hyderabad/Head Offices is to be added to Telangana in proportion to its share in population as per 2001 census viz.41%. When added, the share of Telangana in the 4 years is respectively: 55% (41+14), 47% (28+19), 49% (30+19), and 50% (31+19) (column 7 of table IV.3). To understand the injustice in allocating resources i.e. underspending in Telangana and overspending in Andhra, revenue shares of Telangana in the 4 years are to be compared with its expenditure shares.

Table IV.3: Regional Shares in Revenue from Important Taxes & Non-Taxes and Expenditure on Important Services (%)

Year	Coastal Andhra	Rayalaseema	Telangana excl Hyderabad	Hyderabad	Andhra Pradesh (2-5)	Telangana + share in Hyd. revenue	Coastal Andhra	Rayalaseema	Telangana excl Hyderabad	Hyderabad	Andhra Pradesh (8-11)
	Revenue from 4 sources						Expenditure on 8 services				
1	2	3	4	5	6	7	8	9	10	11	12
2003-04	20	5	41	34	100 (13905)	55	33	20	44	3	100 (6542)
2004-05	20	5	28	47	100 (17059)	47	29	21	48	2	100 (8415)
2005-06	18	5	30	47	100 (19937)	49	30	20	49	1	100 (12629)
2006-07	18	5	31	46	100 (19725)	50	27	24	48	1	100 (10904)

Sources: Andhra Jyothi Online, Hyderabad March 23,2007, Vaartha, April 15,2008 and Socio-Economic Survey of AP 2007-8.

Notes 1: The four Income Sources of revenue are: Sales Tax, State Excise, Stamps & Registration, and Transport.

2: The 8 important expenditure services are: Agriculture, Rural Development, Irrigation, Education, Medical &Health, Water Supply & Sanitation, Housing, & Welfare (SC, ST, and BC & Minorities).

3. Figures in brackets are Rs.crores.

4. Column 7 shows sum of column 4 and 41% of column 4 as share of Telangana.

As expenditure on Head Office located at Hyderabad is marginal (1to3% points), we ignore it and compare the relative shares of Telangana in revenue and expenditure in Table IV. 4

Table IV.4: Relative Shares of Telangana in Revenue &Expenditure

Year	<u>Share (%) in</u>		Deviation of Expenditure from Income (% points)
	Revenue (including share in Hyderabad)	Expenditure	
	1	2	3 (3=1-2)
2003-4	55	44	11
2004-5	47	48	(-) 1
2005-6	49	49	0
2006-7	50	48	2

In all the four sample years Telangana exhibited surplus of revenue over expenditure in two years and in two other years' revenue and expenditure shares were approximately the same. Telangana had revenue surpluses at the time of state formation which situation has been continuing with Telangana region contributing considerably to tax receipts of the state. This is evident from the data presented in tables IV.2 and 3. Besides the per capita financial resources for Telangana should be higher than the average for the Andhra Pradesh state because under Finance Commission transfers to states 25% devolution is based on population and 75% is based on criteria like per capita income and other indicators of backwardness (CH H Rao, 2009). State has been receiving considerable transfers in the name of backwardness but which are not spent for backward regions as seen in the case of Telangana. That expenditure was not in commensurate with revenues right from the inception indicating denial of development in terms of capital investment, infrastructure, social sector, and the manifestations clearly seen in chapters related to irrigation, power generation education and employment. Thus it can be said that irreversible damage has been done to Telangana and development of other regions has taken place at the cost of Telangana.

Chapter V

Employment: Saga of denial

Employees are the backbone of the government. They are the organic link between people and state. It becomes also important that they belong to the land and hence can serve the people effectively. Hyderabad state faced problems in employment when people from outside Hyderabad state came due to state patronage. Hence domicile rules came into existence.

A summary of the chapter

- Telangana people have lost near about 2.5 lakhs employment opportunities during the 53 years of combined State.
- The number of non-local employees who were working in Telangana in violation of Mulki Rules in the initial stage and subsequently in violation of Presidential Order estimated through the various Committees appointed by the Government are as follows:

1956-1968 - 22,000 in violation of Mulki Rules

1975-1985 - 58,962 in violation of Presidential Order 1975

- The cumulative effect of violations is to a tune of 2.5 lakhs as estimated by the Telangana Employees based on the findings of the One Man Commission upto 2005 (JM Girglani).
- Telangana is marginalized in the field of public employment. Due to insignificant representation in the Secretariat and discrimination by Heads of Departments, injustice is meted out to Telangana in all development programmes.
- Whenever the violations were taken to the notice of the state government, it was not serious about rectification of such violations but went on with strategy of delay by appointing series of committees!
- The number of committees appointed on the issue of employment is the largest showing the complex and controversial nature of the issue.

V.1 Before formation of the state

In the entire state of Hyderabad Mulki Rules were in vogue, which were promulgated by the Firman of His Exalted Highness the Nizam's Firman, dated 25th Ramzan 1337 Hijri (Corresponding to 1919 AD). For the purposes of employment a person who resided in Hyderabad State for more than 15 years (Domicile Rule), is called as Mulki, and thereby would be eligible, for Government jobs and admissions in schools and colleges. While claiming the Mulki Certificate the applicant had to state birth place of his father and grand father etc and any wrong information, was liable for prosecution (Details available in Hyderabad Civil Services Regulations).

Violation of Mulki Rules began in 1948 itself soon after erstwhile Hyderabad State joined the Indian Union. The Govt. of India appointed Vellodi, an ICS Officer, as the Civil Administrator for Hyderabad State to help the Military till a popular Govt. took over the reins of administration in 1952. During these 4 years thousands of employees from

Madras State were brought to Hyderabad State in the disguise that they knew English in violation of Mulki Rules. Thousand of employees of Hyderabad State especially Muslims were mercilessly removed from their services. The public could not express their resentment over these recruitments and retrenchments since there were no civil rights under the military administration.

People from Andhra region also migrated into Warangal (Khammam district was part of Warangal District till 1954) and Nalgonda districts, secured Mulki Certificates, by fraudulent methods, and obtained jobs, meant for Mulkis. Soon after the popular Govt. took over the Administration in 1952 agitation against the non-mulkies broke out in Telangana. By then the number of such Bogus Mulkis rose to 2500. The students of the schools and Colleges, in Warangal, started this agitation in July 1952, faced lathi charge (caning) by police. The movement spread to Khammam, Nalgonda, and to Hyderabad. In the first week of September 1952, agitation became serious in Hyderabad resulting in lathi charge, teargas shells and firings. About 9 people were killed and more than 150 people seriously injured. The Mulki agitation was brutally crushed and the non-mulkies continued in their services. Thus the necessity of Separate state of Hyderabad (Telangana) was realized, much before Andhra Pradesh was formed.

V.2 Formation of Andhra Pradesh state and Gentlemen's Agreement

Though, the people from the Telangana were against the merger with Andhra State, the Union Government against the general will of the people has forcefully merged the Telangana with Andhra State. According to this agreement safe guards in the matters relating to Telangana revenues, educational facilities, recruitment and retrenchment of service personnel, the position of Urdu, domicile rules, sale of agricultural lands were guaranteed. This agreement guaranteed

- (i) the continuance of Mulki rules promulgated by the Nizam Govt. in 1919 through a Farman,
- (ii) Constitution of Telangana Regional Council with a view to secure its all round development with its needs and requirements. It will be a statutory body empowered to deal with and decide about planning and development, irrigation and other projects, industrial development, within the general plan and recruitment to services in so far as they relate to Telangana area.
- (iii) The agreement provides that if the Chief Minister is from Andhra, the Deputy Chief Minister will be from Telangana and vice-versa. Apart from this, a detailed note on safeguards proposed for Telangana in the light of conclusions arrived at on 14 items in the Gentlemen's agreement was signed on 14.8.1956 by the signatories of the agreement. The State of Andhra Pradesh came into existence on November,1, 1956 Hyderabad as its capital and Sri Neelam Sanjeeva Reddy sworn in as Chief Minister of Andhra Pradesh State.

Parliament, in effect, gave statutory recognition to this agreement by making the necessary Constitutional Amendment in Art. 371 - Providing for the constitution of the Telangana Regional Committee. The Constitution (Seventh Amendment) Act, 1956, inter alia, substituted a new Article 371 for the old, the relevant part of which reads as follows.

“371. Special provision with respect to the States of Andhra Pradesh, Punjab and Bombay – (1) Notwithstanding anything in this Constitution, the President may, by order made with respect to the State of Andhra Pradesh.....provide for the constitution and functions of regional committees of the Legislative Assembly of the State; for the

modifications to be made in the rules of business of the Government and in the rules of procedure of the Legislative Assembly of the State and for any special responsibility of the Governor in order to secure the proper functioning of the regional committees”.

Violations of Gentlemen’s agreement in regard to continuation of Mulki Rules

After the formation of A.P. State in 1956 an exodus of employees from Andhra Region was encouraged by the Govt. of A.P. into Telangana relaxing the mulki rules on administrative grounds and issued mulki certificates to the non-mulkies and allowed them to infiltrate in to the jobs reserved for mulkies. The Telangana Regional Committee time and again prepared reports with concrete evidences on the violations of mulki rules and submitted to the Govt. for rectification. TRC reports and representations of Telangana Employees Associations were ignored by the Govt. As on 1.11.1968, out of total registrations of 53,626 the number of persons registered in Employment Exchanges in Telangana region hailing from Andhra Region were 7269. According to government estimation it stood around 5000, but according to the data collected by the Telangana Non Gazetted Organisation (NGO) Union the figure was nearly 10,000 which included teachers, medical staff, surveyors, electricity employees and so on. This is much against the rules laid out in Rule -3 of AP Public Employment (Requirement as to Residence) rules 1959 which says

- (a) in the posts within the Telangana Region only domiciles will be appointed
- (b) in the Secretariat and Heads of the Departments, the second vacancy in every unit of three vacancies will be filled by Telangana person.

Rule-3 was blatantly violated. The rules were relaxed, interpreted and implemented to favour only Andhra employees.

A second kind of discrimination meted out to the Telangana employees was in implementing the principles of the integration of services which were contemplated by the States Reorganization Commission (SRC) and clear commitments given by the Govt. of India on the eve of the reorganization of states. Pay committee constituted in 1958 chaired by Sri Kasu Brahmananda Reddy, the then Finance Minister, virtually reduced the pay scales of Telangana personnel in the name of equalization and Andhra employees got benefit due to pay revision (Table V.1).

Table V.1: Equalization of Services after 1956

Sl. No.	Name of the post	Pre- revised scale (Rs.)	Revised scale (Rs.)
1.	UDC in the Secretariat	135 – 200 (T) 90 – 170 (A)	100 – 200
2	Asst. Superintendent	200 – 350 (T) 200 – 300 (A)	150 – 300
3.	Superintendents in Directorates	170 – 320 (T) 190 – 240 (A)	150 – 300
4.	Jr. Superintendents in Directorates	170 – 320 (T) 140 – 190 (A)	150 – 250
5.	UDC in directorates	150 – 170 (T)	90 -180

Sl. No.	Name of the post	Pre- revised scale (Rs.)	Revised scale (Rs.)
6.	Typists in Directorates	80 – 125 (A) 54 – 130 (T) 45 – 90 (A)	50 – 120
7	Revenue Asst. & Tahasildars	250 – 450 (T) 200 – 300 (A)	200 – 350
8	Dy. Tahasildars	190 – 275 (T) 150 – 260 (A)	150 – 250
9	Asst. Surgeons & Tutors in medical dept.	250 – 550 (T) 200 – 400 (A)	250 – 500
10	Agricultural Demonstrators & farm managers	176 – 300 (T) 100 – 200 (A)	150 – 300

Note: T= Telangana; A= Andhra (Coastal and Rayalaseema)

It is evident that by the revision of pay scales in 1958 and 1961 Andhra employees got monetary benefit and Telangana employees downgraded in the name of uniformity. The Telangana Regional Committee also disapproved this kind of discriminative attitude of Government of Andhra Pradesh as follows in its 3rd supplementary report of sub-committee on white paper on Telangana Services.

“The Committee has been observing that the practice of the Government was to issue a Government Order or a U.O. Note that clearly violates the principles laid down under the directions of Government of India or the SRC Report. These order are implemented with the pre-meditated object of giving facility, for continuing X or Y (Andhra region) in a particular post although he does not deserve, it under rules. All this is purported to be done on a purely temporary footing although why even a temporary measure should be allowed to flout the rules is not at all clear. The Committee also regrets to note that the Government was not prepared to retrace their steps even after being convinced of the just stand of the Telangana services in some cases. On the contrary they kept improvising several pretexts, as for instance, that it is a matter of administrative inconvenience or that much time has elapsed since X or Y has continued in the post and the “therefore it would not be proper, at that instance of time to rake up healed wounds”. It is obvious that the orders implemented and the arguments advanced are but two sides of the same coin; they fit in perfectly with each other. This Committee unequivocally disapproves of this attitude and pleads for retrospective remedy so as to bring about a fuller and better integration of services.”

- Within 12 years of formation of A.P. State, the Telangana NGO's Union and State Teachers Union representing one lakh employees have lost faith and confidence in the Govt. of AP had openly declared that the justice would be done to them only in a separate Telangana State.
- 22,000 Andhra employees got into jobs in Telangana by 1968 trespassing Mulki Rules

V.3 1969 – Jai Telangana Agitation

This struggle is historical in many ways. There were hunger strike camps in front of every school and college, schools and colleges were boycotted for nearly 9 months, employees, teachers and Class IV employees went on a strike of 35 days, 370 people were killed. Puli Veeranna, Telangana Senior Leader from Mahabubnagar, posted in a website that “3116 times Lathi Charges, 18,000 people got hurt badly without bone fractures, 10200 people got blood injuries with intensified lathi charges, 1816 got their bone fractured, , 11200 GAS Bombs were used to spread and disturb the agitators 1820 times; 147 "times" (how many guns, don't know) police firings took place, and 370 Telangana brothers died.”

GO Ms No 36 GAD (SR) Department Dated 21-1-1969 was issued directing that all those who were recruited after 1-11-1956 in violation of Mulki Rules should be repatriated by the end of February 1969. This Order was issued at the height of the agitation, on the basis of All Party Accord (19-01-1969) .The Accord also promised greater educational facilities for Telangana students. The Secretariat dominated by Andhra bosses, with the help of biased political leadership saw that no repatriation was effected, failing the All Party Accord. The youth of Telangana lost jobs and opportunities for ever, resulting in widespread frustration. Meanwhile Prime Minister, Smt Indira Gandhi, announced in the Parliament on April 1, 1969 Eight Point Formula, which envisaged among other issues, spending additional money in Telangana, in lieu of the surpluses diverted, constituting a Committee of UPSC to oversee the problems of Telangana services, giving more powers to Telangana Regional Committee etc.

One of the points which is relevant here is Point-IV- “The possibility, of providing for appropriate Constitutional safeguards in the matter of public employment in favour of people belonging to the Telangana region will be examined by the Government of India in consultation with a committee of Jurists”. As was the case with all other formulas, this formula too was not implemented.

The Govt. succumbing to the pressure of agitation issued G.O.36 to repatriate all the non-local employees from Telangana. The Govt. order was challenged in High Court by the Andhra Employees. The Full Bench of Hon'ble High Court of AP upheld constitutional validity of G.O.Ms.No. 36 and Mulki Rules on 9th July 1969. The petitioners appealed to Hon'ble Supreme Court and the case was referred to constitutional bench consisting of 5 judges. After prolonged arguments, Supreme Court pronounced its judgment on 3-10-1972 in SLP (Civil Petition No) 993 of 1972 reported in AIR 1973 SC Page No 827 and upheld the constitutional validity of the Mulki Rules.

The legal Battle went on and on, between High court and Supreme Court, with contradictory judgments. Only in October, 1972 final judgment was given validating Mulki Rules. After this historical judgment of Supreme Court there were no obstacles in implementing G.O.36 and Mulki Rules as agreed in the Gentlemen Agreement. In terms of the G.O.Ms No. 36 all the non local employees from Telangana who were appointed in

violation of Mulki Rules have to be repatriated. Unfortunately the Government of Andhra Pradesh headed by Andhra Rulers never respected the Gentlemen Agreement and this Historical Judgments of the Supreme Court.

The Jai Andhra Movement started against this judgement by Supreme Court. They wanted to scrap all the safeguards provided to the people of Telangana and demanded a state without any restrictions if combined state was to be continued. Succumbing to the pressure of Jai Andhra Movement, Govt. of India proposed a formula called 'Six Point Formula' in 1973. The political leadership of Telangana, without analyzing the effects of six point formula, blindly accepted it.

- The immediate result of it was abolition of Mulki Rules and Telangana Regional Committee which effects the dilution of Gentlemen Agreement.
- Percentage of local reservation in employment was reduced from 100% to 60% in Gazette level Posts, 70% in Zonal level non-gazette posts and 80% in the District level posts.
- A.P. State was divided into six zones for the purpose of employment and Telangana was divided into two zones instead of one zone.
- This formula hit at Telangana identity, took away whatever guarantees, were provided as a basis for the formation of Andhra Pradesh.
- Telangana Regional Committee was abolished.
- Accelerated development of the backward areas of the State and planned development of the State Capital with specific resources earmarked for these purposes and appropriate association of representations of such backward areas in the State Legislature along with other experts in the formulation and monitoring of development schemes for such areas formed the essential part of the developmental strategy of the State.
- The developmental strategy was planned to be taken forward through Constitution of a Planning Board at the State Level as well as Sub-Committees for different backward areas.

V.4 Presidential Order 1975

As agreed upon in Six Point Formula, Presidential Order 1975 was issued. According to the Presidential Order

- The three regions have been converted into six zones,
- 12 years of residential condition is replaced by 4 years of study/residence for being considered as a local in a Zone.
- 32nd Constitutional Amendment, was carried known as 371-D, President was given Powers to make Rules for Andhra Pradesh.
- Reservation quotas were fixed, 80% for locals for the recruitment upto LDC level and 20% open merit, 70% for locals in a zone for the recruitment in all other non-gazetted posts and 30% through open merit, 60% in the case of Ist Gazetted posts, Zonal Posts and 40% open merit.

- Thousands of Andhras were benefited by reduction in residential condition and they became locals in Telangana especially in Zone-VI who are residing in and around Hyderabad city, being the capital of A.P. State, thereby native people of Hyderabad city, Districts of Zone VI have lost thousands of jobs since 1975.
- Prior to the Presidential Order, every second vacancy in every unit of three vacancies was reserved for Telangana in the Secretariat and HODs. Presidential Order, 1975 removed such reservation to Telangana under para 14 of the said order. Thereby Secretariat, offices of the HODs, PSUs, Corporations, Boards, and Govt. Aided Institutions etc. have excluded from the local reservations and become dens of Andhra Employees. The power centers where policy decisions and budgetary allocations are made have insignificant (less than 15 %) representation from Telangana.
- Domination of Andhra over Telangana is crystallized.

Violations of Presidential Order and issue of GO Ms No 610

When these diluted rules also were not strictly implemented, employees protested, responding to which the then Chief Minister NT Rama Rao appointed three member committee to look into cases of violations of Presidential Order during 1975 to 1985. It was estimated by this Committee that by 1983 several violations took place in government services and 58,962 non-local employees have been infiltrated into posts meant for Telangana. One of the methods employed for violation is to treat 20%, 30%, 40% meant for open quota, other than local reservations, as exclusively reserved for non locals while it is 'open' or meant for both local and non-local people. Zone 7 (Hyderabad) has high percentage of non locals followed by Khammam, Nizamabad Ranga Reddy and Nalgonda respectively (Table V.2).

Table V.2: Percentage of jobs held by non locals in 1983

Zonal Districts	Total Jobs	Job Holders from Native Districts	Job Holders from the same zone but different Districts	Non locals	Non locals percentage
Zone 5					
Khammam	42,021	24,674	6,994	10,358	24.6
Warangal	26,989	22,134	1,714	3,141	11.6
Karimnagar	45,468	36,971	3,859	4,638	10.2
Adilabad	44,310	22,171	17,040	5,066	11.5
Total	1,58,788	1,05,950	29,607	23,231	14.6
Zone 6					
Nalgonda	25,857	20,405	1,745	3,707	14.3
Palamooru	25,727	22,521	1,715	1,489	5.8
Nizamabad	24,560	17,167	3,107	4,296	17.5
Medak	17,835	14,271	2,140	1,424	8.0
Ranga Reddy	14,705	6,389	6,213	2,103	14.3
Total	1,08,682	80,753	14,920	13,009	12.0

Zonal Districts	Total Jobs	Job Holders from Native Districts	Job Holders from the same zone but different Districts	Non locals	Non locals percentage
Total(5&6)	2,67,470	1,86,703	44,527	36,240	13.5
Zone 7 Hyderabad	1,01,675	70,157	8,796	22,722	22.3
Total Telangana	3,69,145 (100%)	2,56,860 (69.6%)	53,323 (14.4%)	58,962 (16.0%)	16.0

Govt. had issued G.O.610 on 30.12.1985 (Similar to Go 36 in 1969). The salient features of the GO 610 order are

- 5 (1) The employees allotted after 18-10-1975 to Zones V and VI (Telangana Area) in violation of local cadres under the Six-Point Formula will be repatriated to their respective zones by 31-3-1986, by creating supernumerary posts wherever necessary.
- 5 (5) The posts in institutions/ Establishments notified in GSR No 526 (E) dated 18-10-1975, shall be filled up drawing persons on tenure basis from different local cadres on an equitable basis, as per the orders issued in the GO. 3rd is the fair share principle.
- Para 11 of G.O.610 says “The Departments of Secretariat shall complete the review of appointments/promotions made under the Presidential Order as required under para 13 of the said order by 30.06.1986”

In spite of such orders, the G.O. was not implemented. Identification of non-locals was not taken up. The G.O. was not made available to public until the Telangana agitation was started in 2001 for pressing for the implementation of G.O.610. The Government has not implemented its own order till today.

In 2001 the then Government under the Chief Ministership of Chandrababu Naidu appointed One Man Commission, popularly known as Girglani Commission, to investigate the violations of Presidential Order, 1975. The Report was laid in the Assembly with an assurance that recommendations will be implemented in letter and spirit; it was presumed that justice would be done. It is pertinent to quote some of the observations. The Girglani Commission observed that:

The Commission had identified 126 findings, known as estimates of deviations, 7 sources of deviations, 35 remedial actions

Where it appears to the Government in any particular finding there is indication of gross lapse, malades, bias, favoritism, or recalcitrant persistence in deviations (such cases have come to notice), on the part of any official/ officials strong deterrent action may be instituted –

Even this Commission, could not arrive at the conclusion indicating the actual number of non locals that were appointed in Zone V & VI, because not even one-third Departments have cooperated with the Commission and provided the data.

Thereafter, number of committees have been appointed in the name of House Committees, Ministers Sub –committee, Officers Committee were constituted only to while away the time and to fool Telangana leadership. It is estimated that nearly two lakh employees were appointed violating Presidential Order. It is the firm belief of the people of Telangana, that Officers from Andhra region who have occupied majority of the posts, at the top level are vindictive.

In terms of the report of Directorate of Economics and Statistics the Particulars of Sixth Census of State Government and Public Sector Employees Published on 11-2-2008 are as follows:

Table V.3: The deviations identified by the Commission:

Type of employment	Number of employees	Remarks
State Government and Public Sector	12, 89,635	
Exclusively State Government Employees	6, 15,878	
Local Bodies Employees	3, 29,573	
State Public Sector Under Taking Employees	2,53,550	
Universities Employees	15,872	
Other Work Charged and aided Institutions Employees	74,762	
Employees Working in the State Capital (Including Secretariat, HOD's and other State level Offices)	1,10,724	90% Employees hail from Andhra Region and 10% only from Telangana Region.
Employees in the Government Sector Gazetted Officers Non-Gazetted Officers	57,899 5,49,877	Only 10 to 12% of Officers hail from Telangana among Gazetted Officers Presidential Order not implemented for Non Gazetted Officers
Class IV Employees	1,40,287	

Source: Census of State Government and Public Sector Employees, 2006

- As per the District wise census report it is to state that the employees in Telangana Region 4, 98,359 and in Andhra Region 6, 80,552.
- Out of 4, 98,359 who were working in Telangana Region, near about 40% non-local Employees (Andhra Region) i.e., 1, 99,344 are working in violation of Presidential Order.
- Whereas in the Andhra Region i.e. out of 6, 80,552 not even 1% employees of Telangana area are working in that region.
- In the Non-Gazetted Officers Category also the recruitment agencies i.e., APPSC, DSC, Police Recruitment Board etc., never bothered to follow the provisions of the Presidential Order for the last 40 years. As a result, thousands of non-local employees were recruited in Telangana Area in violation of local reservation.

V.5 Controversy of Hyderabad as Free Zone

The Second Schedule of Presidential Order, 1975 clearly laid down 6 Zones, and fixed the percentages of posts reserved for them.

Second Schedule

2(1) (m) and 8(4)

Zone I	Districts of Srikakulam, Vizianagaram, Vishakapatnam	12 %
Zone II	Districts of East Godavari, West Godavari, Krishna	18 %
Zone III	Districts of Guntur, Prakasham, Nellore	15%
Zone IV	Districts of Chittoor, Cuddapah, Kurnool, Ananthapur	18 %
Zone V	Districts of Adilabad, Karimnagar, Warangal, Khamma	15 %
Zone VI	Districts of Hyderabad, Ranga Reddy, Mahbubnagar, Nizamabad, Medak, Nalgonda	22%

Even though, Hyderabad is included in VI zone some Departments such as Education, Police etc have started treating Hyderabad as VII zone and also started treating as Free Zone. Employees were transferred to Hyderabad city, in violation of Presidential Orders, and were also deputed over and above the sanctioned vacancies. Para 3 (6) was quoted out of context and misused for making such transfers. These transfers were questioned in Administrative Tribunals and High Court. The police officers claimed special privileges under the saving clause 14 (f) of the Presidential Order. But the High Court in the Writ Petition Nos 13458 of 2001, ordered that the city of Hyderabad, although loosely treated as a separate zone, but no such separate zone has been created, the city of Hyderabad, therefore comes within the purview of Zone VI only.

(Para 64)- Hyderabad city police, have to be considered as members of Zone VI, which includes the District of Hyderabad. They do not fall under the provisions of para 14 of the Presidential Order (Para 88)

The same observations were endorsed by the Girglani Commission. The House Committee constituted by the Government of AP, found fault with the Education Department for creating Zone VII, which never existed. The Department was forced to change the orders. Facing the awkward situation, the Education Department started showing them as City Cadre under 6(3), of the Presidential Order. The High court also examined and observed that, "no separate cadre has been organized for the city of Hyderabad within the meaning of Para 3(6) of the Presidential Order." Conclusions

(B) of the High Court Order.

In the Police Department controversy went on which was challenged in the Supreme Court of India, Civil Appellate Jurisdiction, Civil Appeal No 5141 of 2002. The Judgement was delivered in October 2009. and was observed " that no recruitment to the post of Police officers as defined in section 3(b) of the Hyderabad Act has been made and there is factually no incumbent of the post of police officer-----as belonging to Zone VI in the zonal cadre cannot be sustainable and are liable to be set aside" Para 32. This judgment was reported by the media as Hyderabad as free zone, even though the Supreme Court of India has not used the Free Zone term.

It is strange that the State Government have appointed legal Counsel from Gujarat State, to argue the case in the Supreme Court, who do not have any knowledge of the AP situation and ground realities, deliberately so that what could not be achieved politically, it was achieved legally. As long as the integrated state of AP continues these legal battles continue, no order, which is favourable to the people of Telangana, would never be implemented. Even the Supreme Court Judgement validating Mulki Rules was brushed aside. Meanwhile, Andhra Pradesh Government had filed a Revision Petition in the Supreme Court, or it can propose Constitutional Amendment to delete 14(f). The Revision Petition has been dismissed very recently.

Thus the story of employment is replete with gross violations which directly impacted the educated youth of the region since formation of the state. Nearly 5 generations have been denied employment opportunities due to which unforeseen consequences have been taking place. Formation of middle class has been hampered which had telling effects on the quality of society in Telangana.

Chapter VI

Discrimination in Education

Development of education affects and in turn gets affected by the pace of economic development. There is a bidirectional linkage. In this process, low rate of literacy and economic backwardness sustain each other. This is precisely the problem of Telangana. At the time of formation of Andhra Pradesh, it was assured that disparities in the levels of development in different regions of the state, including the field of education, would be removed in five to ten years of time. But even after five and a half decades, the literacy rate in the Telangana region continues to be lowest in the State. This chapter traces the discrimination faced by Telangana region in education development. It is found that though rates of growth in education indicators have improved it has to be seen from having a low base. Telangana's education scenario has to be seen without taking into consideration of Hyderabad, and RangaReddy and Medak too because of their vicinity to the capital city. Education institutions located in Hyderabad and surrounding districts considered falling into quota of Telangana for purpose of numbers is a myth as location in capital city will have deprived Telangana students their rightful share in their own region. Moreover quality of education becomes important once the threshold of numbers is crossed. This is evident from financial allocations made towards higher education which is not in commensurate with the entitlements due to the region.

VI.1 Literacy

Table VI.I: Literacy Rates (2001 Census)

Sl. No	Region	Literacy Rate (%)		
		Persons	Males	Females
1.	Coastal Andhra	63.58	71.38	55.69
2.	Rayalaseema	60.53	72.68	48.04
3.	Telangana	58.77	69.49	47.44
	Andhra Pradesh	61.11	70.85	51.17

Source: Census of India, 2001

It is to be seen that the literacy rate in Telangana is lower than that of Rayalaseema, considered to be a backward region. If the capital city with a literacy rate of 78.80 is not taken into account, the literacy rate of nine districts of Telangana is less than that of North Coastal Andhra, said to be the most backward area of the State. The details could be seen hereunder:

Table VI.2: Sub Region-wise Rates of Literacy

S. No.	Sub Region	Literacy Rate
1.	North Coastal Andhra	56.42
2.	South Coastal Andhra	66.26
3.	Rayalaseema	60.53
4.	Telangana (9 districts)	55.95
5.	Hyderabad	78.80
	Andhra Pradesh	61.11

Source: Census of India, 2001

In this scenario the Telangana region ranks 32 among the 35 States (including 7 Union Territories) at the national level. Further, according to the 2001 census while in 77.6 percent of mandals in Coastal Andhra and 67.6 mandals in Rayalaseema the female literacy rate (FLR) is equal to 40, it is less than 40 in 60.6 mandals in Telangana. Added to this FLR is less than 30 in about 20 percent of mandals in Telangana showing backwardness in minimum indicator of female literacy (APHDR, 2007).

With regard to the literacy of the Scheduled Castes and the Scheduled Tribes of the region, the position is much worse, as is evident from the following figures:

Table VI.3: Literacy Rates of Scheduled Castes and Scheduled Tribes

Sl. No	Region	Category	Literacy Rate (%)		
			Persons	Males	Females
	Coastal Andhra	SCs	52.03	59.00	45.23
		STs	32.32	39.74	24.86
	Rayalaseema	SCs	44.03	54.37	33.38
		STs	36.67	45.90	26.96
	Telangana	SCs	40.61	50.31	30.75
		STs	28.71	38.39	18.65
Andhra Pradesh		SCs	46.02	54.58	37.30
		STs	30.68	39.48	21.62

Source: Census of India, 2001

The main reason for the prevalence of low literary rate in Telangana is the result of uneven distribution of educational facilities in different regions of the State. The important factor to be kept in view in this regard is the percentage of population spread over the regions of the State, i.e., 41.58% in Coastal Andhra, 17.73% in Rayalaseema and 40.69% in Telangana. This is necessary to assess the adequacy or otherwise of the facilities of education created vis-a-vis the size of the population and the levels of literacy achieved. The removal of regional disparities would be possible only when the government takes special care in providing the necessary facilities. But it has not happened in the case of Telangana.

A perusal of the statistics published and released every year by the Directorate of Economics and Statistics of the State Government makes startling revelations. Between 1956 and 2001, spanning a period of 45 years, at no point of time the enrollment of students at the primary school level – a crucial stage – was more than 32-33 percent. It should have been at least 40.69 percent of the total enrollment in the state. Though from the year 2001 onwards, there has been some improvement with regard to enrollment in this region, the higher dropout rate here is nullifying the end result. The region-wise dropout rates relating to classes I-V registered during the year 2007-08 are as follows:

Table VI.4: Dropout Rates (Classes I-V), 2007-08

Sl. No	Region	Dropout Rate (%)
1.	Coastal Andhra	23.69
2.	Rayalaseema	13.41
3.	Telangana	62.90
	Andhra Pradesh	100

Source: Statistical Abstract, 2008; Directorate of Economics and Statistics, AP

One of the major factors for the highest dropout rate in Telangana is the poverty of the parents, which is the consequence of economic backwardness of the region.

Table VI.5: Type Wise Number of Schools 2003-04 (%)

Region	Primary	Upper Primary	High Schools	Higher Secondary	Total	Entitlement
Costal Andhra	41.37	34.28	31.41	27.53	38.77	41.58
Rayalaseema	20.39	20.03	16.39	8.69	19.75	17.73
Telangana	38.23	45.68	52.19	65.21	41.46	40.69
Telangana excluding Hyd	36.12	42.63	45.3	43.47*	38.51	NA

Source: Socioeconomic Survey GoAP, 2003-04

Note: * Number of higher Secondary Schools in Rangareddy district is 19 and in other 8 districts it is only 11

Share of Primary schools in Telangana is lower than the entitlement (Table VI.5); even though it is equal to entitlement for other types of schools one has to discount for number of schools in vicinity of Hyderabad which cater to population of capital city.

Private education³ a bane to Telangana

The privatization of school education in the state is unequally distributed across regions where it is relatively highly concentrated in Telangana region when compared to both the Coastal Andhra and Rayalaseema regions. This has cost implications and heavy financial burden on poorer households in Telangana region.

Table VI.6: Percentage Distribution of Schools, Enrolment and Teachers by Management across Regions of Andhra Pradesh, 2005-06

	% of Public			% of Aided (A)			% of Unaided (UA)			% of Private (A&UA)		
	Sch	Enr	Teach	Sch	Enr	Teach	Sch	Enr	Teach	Sch	Enr	Teach
1	2	3	4	5	6	7	8	9	10	11	12	13
Primary												
Andhra	90.0	75.7	72.5	6.25	11.07	7.40	3.73	13.3	11.3	10.0	24.3	18.7
Telangana	84.3	56.5	57.5	1.87	5.03	3.77	13.9	38.5	38.7	15.7	43.5	42.5
Rayalaseema	91.0	69.6	75.4	1.99	4.73	2.97	7.02	25.6	19.3	9.0	30.4	22.3
State	88.0	65.4	66.4	3.66	7.06	4.96	8.37	27.5	25.0	12.0	34.6	29.9
Upper Primary												
Andhra	78.3	71.6	66.8	3.8	6.3	4.8	17.9	22.1	28.5	21.7	28.4	33.2
Telangana	63.6	56.6	47.4	1.7	2.2	1.9	34.7	41.3	50.7	36.4	43.4	52.6
Rayalaseema	69.6	61.8	50.8	1.9	3	2.5	28.6	35.2	46.8	30.4	38.2	49.2
State	70.0	62.7	54.5	2.5	3.7	3	27.5	33.6	42.5	30.0	37.3	45.5
High School												
Andhra	71.5	71.5	64.9	7.99	10.1	10.1	20.5	18.4	25.1	28.5	28.5	35.1
Telangana	55.2	56.8	44.8	4.06	4.92	4.99	40.7	38.3	50.2	44.8	43.2	55.2
Rayalaseema	63.9	69.3	56.8	4.8	6.24	6.23	31.3	24.5	37.0	36.1	30.7	43.2
State	61.6	64.1	53.2	5.38	6.97	6.82	33.0	28.9	40.0	38.4	35.9	46.8

Note: 1. Sch – Schools; Enr – Enrolment; Teach – Teachers; 2. % of Private – is total contribution of private aided (A) and unaided (UA) management schools.

Source: Statistical Abstract: Andhra Pradesh, Directorate of Economics and Statistics, Hyderabad.

About 10 per cent of primary schools in Coastal Andhra, 9 per cent in Rayalaseema and 15.7 per cent in Telangana region during 2005-06 are in the private management including both the aided and unaided private schools (see Table VI.5). In case of enrolment 24.3, 30.4 and 43.5 per cent of the total enrolment at primary school level respectively in Coastal Andhra, Rayalaseema and Telangana is in the private management schools. Likewise the case of teachers, where about 18.7, 22.3 and 42.5 per cent of total teachers in primary schools respectively in Coastal Andhra, Rayalaseema and Telangana were working in private management schools. Similar is the case of upper primary and high schools for which the contribution of private management is higher.

³ This section is drawn from the paper 'Privatisation of School Education in Andhra Pradesh: Regional Implications' by Motkuri Venkatanarayana (2006).

With respect to regional variations, it indicates that in the all the three aspect of schooling: schools, enrolment and teachers, the contribution of private management schools (aided and unaided combined) across regions is distinctively high in Telangana region followed by Rayalaseema whereas it is the relatively the lowest in Coastal Andhra region. This is also true in the rural context which shows heavy financial burden which is one reason for high suicides in rural Telangana. In other words when compared with other regions relatively high percentage of school-going (or enrolled) children in Telalagana are attending private schools. Within the state there are regional variations in terms of household monthly consumption expenditure in general and household expenditure on education in particular (Table VI.6). It is observed that the per capita household (private) expenditure on education is relatively higher in Telalagna region in comparison with the other regions in the state. The higher household (private) expenditure on education and higher share of private management in school enrolment are reflecting each other.

Table VI.7 Per Capita Consumption Expenditure (Rs. 0.0) in General and Education in Particular across Regions of Andhra Pradesh, 2004-05

Region		All the Household			Household with non-zero Education Expenditure			
		MPCE	Edn. Expr.		MPCE	Education Expenditure.		
			Monthl y	Yearly		Monthly	Yearly	% in MPCE
1		2	3	4	5	6	7	8
1	Andhra	745.5	10.9	130.8	955.6	35.2	422	3.7
2	Telangana	687.9	15.6	187.2	900.1	45.2	542	5.0
3	Rayalaseema	576.5	9.8	117.6	614.4	25.6	307	4.2
Andhra Pradesh		693.4	12.4	148.8	861.8	36.9	443	4.3

Note: 1. Figures presented (in col. 2 to 6) are in Rupees (in current prices); 2. Per capita budget (government) expenditure in Andhra Pradesh for the 2004-05 financial year is **Rs. 2128**; in Social Sector it is **Rs. 823**; on Education it is **Rs. 312**.

Source: NSS 61st (2004-05) Round Consumer Expenditure Survey unit record data.

The trend of privatization could also be seen in the case of Intermediate education. The percentage of private aided Junior colleges for Telangana is 3.8 whereas the same for Coastal is 8.7 and for Rayalaseema it is 8.9 for the year 2008-09. The percent of unaided colleges is nearly 55 and that of government colleges is 18 for Telangana (Socio Economic Survey, 2008-09, DES, GoAP). Percentage of colleges in the cooperative sector is high for Telangana indicating high unemployment that started their own Schools and Colleges under Cooperative framework for livelihood.

VI. 2 Collegiate Education

The situation prevailing in the sphere of collegiate education (Degree Colleges) is also more or less the same as at the primary school level. It becomes evident from the number of teachers working in degree colleges, managed by the State Government and the private aided colleges receiving grant-in-aid from the government. It is well known that the salary component paid to the teaching and supporting staff of these institutions constitutes more than 90% of the total expenditure incurred by the government on these institutions. The region wise details of staff working in such institutions, and thereby the extent of expenditure incurred on them, culled out from the official statistics for the year 2007-08 are given hereunder:

Table VI.8: Number of Teachers in Government and Aided Degree Colleges

Sl. No	Region	No. of Teachers	Actual %	Entitlement %
1	Coastal Andhra	5952	47.50	41.58
2	Rayalaseema	2876	23.00	17.73
3	Telangana	3709	29.50	40.69
4	Andhra Pradesh	12,537	100	100

Source: Statistical Abstract, 2008; Directorate of Economics and Statistics, AP

These figures make it abundantly clear that only 29.50% of the expenditure is incurred on the Telangana region against its entitlement of a minimum of 40.69%. Obviously a disproportionately higher allocation is made to the other regions.

Further, a look at the quantum of grant-in-aid released by the State Government to the private aided colleges for the year 2008-09 throws some more light on the discriminatory policies of the State Government. It could be seen in the following table:

Table VI.9: Grant-in-Aid Released to Private Aided Degree Colleges (2008-09)

S. No	Region	Grant-in-Aid (in Rupees)	Actual %	Entitlement %
1	Coastal Andhra	122,10,51,289	60.40	41.58
2	Rayalaseema	30,03,94,000	14.85	17.73
3	Telangana	49,89,60,900	24.75	40.69
	Andhra Pradesh	202,14,05,189	100	100

Source: Commissionerate of Collegiate Education, Govt. of Andhra Pradesh

- The nine Telangana districts (excluding the capital city) account for Rs. 17,05,51,900, i.e. just 8.41% of the total grant released for the entire state.
- In Coastal Andhra, just two districts (Krishna and Guntur) get Rs. 61,42,47,000 i.e., 30.38 of the total grant meant for the 23 districts of the State.

VI.3 University Education

There are two categories of universities in the State funded by the State Government.

- Universities with state-wide jurisdiction – 17 in number- 4 in Coastal Andhra; 7 in Rayalaseema and 6 in Hyderabad (Capital city) and none in Telangana
- Universities with jurisdiction restricted to specific region or district – 16 in number- 6 in Coastal Andhra; 4 in Rayalaseema and 6 in Telangana

In this context, there are quite a few intriguing facts to be noted:

- i. The JNTU was actually established in Warangal (Telangana); but was subsequently shifted to Hyderabad under the pretext of locating all state level universities of the State in the capital city. It was done by the then Congress Government.
- ii. The Open University was originally launched on the northern banks of Nagarjuna Sagar in Nalgonda district (Telangana); but was shifted within two months to Hyderabad, again, on the same pretext. And this was done by the NTR led TDP government.
- iii. The same NTR started the University of Health Sciences in Vijayawada (Coastal Andhra) and the Women's University in Tirupathi (Rayalaseema), conveniently forgetting the convention of locating the state level universities in the capital city.
- iv. NTR's successor and son-in-law Chandrababu Naidu followed his footsteps and located the Dravidian University in a remote village Kuppam and SVIMS in Tirupathi -- both in the Rayalaseema region.
- v. Rajasekhar Reddy continued this practice without any reason or restraint and went on the spree of establishing state level universities mostly in Rayalaseema and Andhra regions. They are:
 - a) Horticulture University in West Godavari District (Coastal Andhra)
 - b) Law University in Visakhapatnam (Coastal Andhra)
 - c) University of Veterinary Sciences in Tirupathi (Rayalseema)
 - d) Vedic University in Tirupathi (Rayalseema)
 - e) RGUKT in Idupulapaya, a village in Kadapa (Rayalseema)
- vi. State level universities situated in the capital city have a few noteworthy dimensions:
 - a. When JNTU was shifted from Warangal to Hyderabad, it was endowed with the facility of having two constituent colleges, one in Kakinada (Coastal Andhra) and the other in Ananthpur (Rayalaseema), but none in Telangana. Recently, JNTU has been trifurcated by upgrading the campuses at Kakinada and Ananthapur into full-fledged universities and truncating the jurisdiction of the parent university in the capital city. But the nine districts of Telangana do not have a JNTU like the other two regions.
 - b. The story of Agricultural University is much more difficult to comprehend. All the courses offered by this university were once an integral part of Osmania University. Therefore, all the seats were available mostly, if not exclusively, to the students of Telangana. After the formation of Andhra Pradesh, all the departments of this discipline were taken away from the Osmania University to form the present state level agricultural university. As a result, the students of Telangana are left with a mere 36% of the seats. It has not stopped at that. The establishment of the University of Veterinary Sciences at Tirupathi (Rayalaseema) and horticultural University in West Godavari (Andhra) caused considerable erosion in the significance of the parent agricultural university, which, in fact, is an offshoot of Osmania University.
- vii. Location of a university in a district place facilitates and contributes to the development of that area. For instance, the University of Health Sciences in

Vijayawada and SVIMS in Tirupathi have improved the medical facilities in and around those towns, besides providing employment opportunities to the locals. Similarly, the Dravidian University has considerably changed the face of Kuppam, a small svillage in the Rayalaseema region. Likewise four state level universities, besides one regional university, have made Tirupathi town compete with the capital city itself in the field of higher education.

- viii. Discrimination in the appointment of vice chancellors and recruitment of staff in these state level universities is more pronounced. At present (2010) hardly three of the seventeen vice chancellors hail from the Telangana region. With regard to the recruitment of staff, none from Telangana gets entry into the universities situated in the Andhra and Rayalaseema regions; whereas the gates of all such universities located in Hyderabad are open to everyone. Here, the doctrine of “Might is Right” works; and, in the process, the Telangana component of staff gets restricted to hardly 10% of the total staff.

Region wise dispersal of the region specific universities appears to be balanced, prima facie. But with regard to the allocation of funds, the discrimination against Telangana is blatant. Before the year 2004, the number of these universities in the State was six -- two in each region. The release of grants to these universities has all along been discriminatory, discernable in the per capita expenditure incurred on the students of different universities. The position computed on the basis of grants released between 2005 and 2009 is as under:

Table VI.10: Per Capita Block Grant to the Six Old Universities (2004 to 2009)

Sl. No	Region	University	Per Capita Block Grant (In Rupees)
1	Coastal Andhra	i. Andhra ii. Nagarjuna	35,500 22,700
2	Rayalaseema	i. Sri Venkateswara ii. Sri Krishna Devaraya	37, 500 25,000
3	Telangana	i. Osmania ii. Kakatiya	17,400 14,000

Source: Budget Documents for the Years 2004-2009 presented to the AP Assembly

Further, due to its location in the capital city, the Osmania University has ceased to be a university meant exclusively for the students of the Telangana region. Thereby, the students of Telangana are deprived of their rightful share in their own region. This kind of problem does not arise in the regional universities situated in Coastal Andhra and Rayalaseema.

During Rajasekhara Reddy's tenure as the Chief Minister, ten new regional/district level universities have been established – four each in Coastal Andhra and Telangana and two in Rayalaseema. Numerically, it appears judicious; but, the pattern of the release of grants to these universities is atrocious. For instance, the Yogi Vemana University in Kadapa, Telangana University in Nizambad and Mahatma Gandhi University in Nalgonda were started at the same time but the grants released to these universities from their inception till 2009 show the blatant discrimination. While Yogi Vemana University received Rs 300 crore, the two universities in Telangana received around Rs 30 crore (AP Council for higher Education).

VI.4 Professional Education

In this section, the institutions offering professional courses in Medicine and Engineering funded and managed by the State Government are taken into consideration. There has no doubt been an indiscriminate proliferation of private colleges offering these courses; but, they are mostly commercial in nature. They are, therefore, not accessible to the clientele, especially in the backward areas.

Medical Education

Region wise breakup of the government medical colleges shows 5 medical colleges are located in Coastal region while 4 each in Rayalaseema and Telangana regions. The distribution of the medical colleges is not in proportion to either the number of districts or the population of a region. While the four districts of Rayalaseema, have four colleges, the Telangana region comprising of ten districts has, paradoxically, the same number of colleges. Thus while the Rayalaseema with a population of 17.73% has access to 30.55% of total seats; the Telangana with a population of 40.69% has to satisfy itself with only 33.33% of the total seats.

It is also to be noted that out of 600 seats available in the Telangana colleges, 350 seats are available in the capital city in the two colleges established by the erstwhile Hyderabad Government. After the formation of Andhra Pradesh, these seats ceased to be the exclusive prerogative of the natives of Telangana. Such a problem does not exist in the Andhra and Rayalaseema regions.

Technical Education

The region wise dispersal of institutions offering Engineering and Technical education in public sector shows 3 colleges in coastal Andhra, 9 colleges in Rayalaseema and 6 colleges in Telangana of which 3 are situated in Hyderabad.

As in the case of Medical Education the allocation of seats in the Engineering colleges is also glaringly disproportionate. While 44.29% of seats are available for 17.73% of population in Rayalaseema, the 40.69% of Telangana population has access to only 30.18% of seats in Engineering colleges. Further, out of 1135 seats available in Telangana, 710 are concentrated in the capital city alone. As explained earlier, these seats in the capital city ceased to be available exclusively for the Telangana clientele.

Admission to State Level Institutions -- Injustice to Telangana

Admission of students to various state level universities and institutions is regulated on the basis of allocation of seats made to three areas in the State demarcated for this purpose. They are: Andhra University area covering the Coastal Andhra region, excluding Nellore district; SV University area consisting of the Rayalaseema region plus Nellore district; and, Osmania University area comprising the entire Telangana region. Therefore, Telangana's rightful share in all these institutions should be 40.69% of the total number of seats available. But, ironically, it is restricted to only 36%; and it has been going on for decades thus denying student community of Telangana due share in higher education.

Chapter VII

Economic Growth: Myth and Reality

Economic growth is often seen as an indicator of development. Within the state of Andhra Pradesh there are significant regional variations in growth. It has been debated recently that Telangana's growth experience is better than the other two regions viz coastal Andhra and Rayalaseema. However this statement has to be analysed and qualified adequately before jumping to conclusion about high growth in Telangana. Therefore the issues of cost of growth, sustainability of growth and distribution of gains from growth or in short the quality of growth needs to be taken into consideration. This chapter discusses the growth experienced by regions in terms of average annual rates of growth in GSDP and sectoral growth between the period 2000-01 and 2007-08. The shares of various sectors to GSDP are also taken into consideration where necessary.

The discussion on growth implies the following issues

- High Growth in Ranga Reddy, Medak, and Nalgonda districts in Telangana is because of proximity to Hyderabad.
- Growth in Adilabad, Khammam, Karimnagar in Telangana is because of high contribution of mining and quarrying
- Agricultural growth in North Telangana districts is because of high level of irrigation under groundwater sources borne privately
- Higher contribution of manufacturing and service sectors should be seen in the light of ownership, employment
- Distribution of gains from growth of Visakhapatnam entirely belongs to Coastal people whereas that from Hyderabad and Telangana is not so due to positive net migration. There is unequal share of employment and income between Telangana and Non Telangana populations.
- North Telangana region had positive net migration especially in the vicinity of irrigation projects which started after state formation. This was because of availability of resources like land, assured water and cheap labour
- Therefore concluding that Telangana is developed because it shows high growth rate is more a myth than a reality.

VII.1 Trends in Gross District Domestic Product (GDDP)

Table VII.1: Average Annual growth rate of GDDP by regions at 1993-94 prices (%)

Region	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (R)	2007-08 (P)	Average
Andhra	7.32	4.82	4.02	8.77	11.66	3.92	10.59	8.09	7.40
Rayalaseema	19.72	-1.17	-0.74	8.56	13.82	2.36	15.79	19.79	9.77
Telangana	5.11	5.66	2.63	10.24	2.53	20.42	10.21	10.27	8.38
Telangana excl Hyderabad	6.61	5.11	0.81	10.64	2.33	21.10	8.97	10.76	8.29
Andhra Pradesh	8.16	4.22	2.73	9.35	8.15	10.24	11.16	10.75	8.09

Note: Growth rate for 2000-01 is over the previous year

Source: Directorate of Economics and Statistics, GoAP.

The average gross district domestic product (GDDP) between 2000-01 and 2007-08 has been the highest for Rayalaseema region followed by Telangana and Coastal Andhra. Stability of growth shows good performance. Variations in growth rate are high for Telangana and Rayalaseema in comparison to Coastal region. Growth in the year 2005-06 is much higher than state average for Telangana. Composition of GDDP explains that higher growth in the year 2005-06 in Telangana is because of high growth in agriculture at 62.3. This is also because of the base effect as there was negative growth of 18.95 in the previous year (Table VII.2). The contribution of Telangana to agriculture share in GSDP in 2005-06 is 37.13 the highest for the region from 1993-94 onwards. At the same time district wise analysis of agricultural growth also shows that it is stable in coastal districts. From year 1993-94 the top four ranks in agriculture growth have been going to Guntur, Krishna, East and West Godavari respectively. Anantapur and Kurnool from Rayalaseema are in first 10 ranks. In Telangana region though north Telangana districts (Karimnagar, Khammam, Warangal) and Nalgonda from south Telangana have improved their agricultural performance from 1998-99 onwards, still it is subject to high variation which can be explained by factors affecting dry land agriculture like monsoon, dependence on private irrigation etc. Therefore there is consistency in agricultural growth in coastal Andhra while Telangana's growth shows much variation which indicates inconsistency and erratic nature of growth.

Table VII.2 Average annual growth rates –Agriculture by regions at 1993-94 prices (%)

Region	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (R)	2007-08 (P)	Average
Andhra	4.60	0.63	-18.34	20.67	7.09	0.40	12.14	3.03	3.78
Rayalaseema	56.80	-22.81	-17.75	9.70	48.84	-18.98	-10.13	71.34	14.63
Telangana	12.27	-9.83	-25.64	38.60	-18.95	62.13	0.64	25.12	10.54
Andhra Pradesh	15.50	-7.85	-20.55	23.94	5.38	11.63	4.07	21.03	6.64

Table VII.3 Average annual growth in Industries sector by regions at 1993-94 prices (percent)

Region	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (R)	2007-08 (P)	Average
Andhra	4.10	4.70	14.65	6.46	18.78	5.48	14.09	12.65	10.11
Rayalaseema	7.55	4.92	-2.63	12.68	4.01	20.68	54.38	5.02	13.33
Telangana	0.98	4.49	6.42	4.31	9.08	18.12	10.86	10.64	8.11
Andhra Pradesh	2.96	4.63	8.21	6.16	12.20	13.22	17.66	10.45	9.44

Telangana has low average growth than state average in Industries sector. District wise ranking shows Medak and Rangareddy in Telangana registered high industrial growth. The cause for this is evident that they fall into the Hyderabad agglomeration which is a high growth centre it being capital city of the state. Besides Medak and Rangareddy districts Khammam, Karimnagar and Adilabad in Telangana also have shown high growth. This growth is partly because of high share of Mining and Quarrying component to Industries sector and hence its high share to GSDP (Table II.4). Coal mining contributes to mining and quarrying in these districts. However the issues of distribution seem important here as major share of employment is cornered by migrant population from non Telangana region as is made clear from chapter VII on 'Employment: The saga

of Denial'. Besides because of open cast coal mining these districts are facing problems of dust, water and air pollution. Though contribution of mining (coal) is so high here adequate number of related industries like thermal power stations has not been established because of discrimination of state policy (refer Chapter IV on Discrimination in Power Sector). From whatever employment is generated fair share is also denied to Telangana youth which shows gross discrimination of GO 610 which ensures local reservation to Telangana people.

Table VII.4 Percent contribution from Mining and Quarrying by regions at current prices

Region	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (R)	2007-08 (P)	Average
Andhra	24.08	23.08	25.22	21.89	21.14	19.29	14.68	18.71	21.01
Rayalaseema	5.99	8.39	7.23	7.26	7.43	12.14	38.22	33.05	14.96
Telangana	69.93	68.53	67.54	70.85	71.43	68.56	47.10	48.24	64.03
Andhra Pradesh	100	100	100	100	100	100	100	100	100

Similarly the percentage contribution of manufacturing (registered) sector is high at 53.31 in comparison to 41.12 and 5.17 for Coastal and Rayalaseema respectively for the period between 2000-01 and 2007-08. Percentage contribution of Telangana to Construction sector is high at 44% compared to 39 and 16 for Coastal and Rayalaseema respectively. Most of the construction ventures in Hyderabad are owned and run by Andhra capitalists. Employment in these sectors does not entirely belong to Telangana people especially in and around Hyderabad. Migration into Telangana excluding Hyderabad is also high which shows similar scenario in the districts of Telangana.

Service Sector

The average contribution of services sector region wise shows Telangana ahead of other regions where its share is 44.43 and that of Coastal is 41.24 and that of Rayalaseema is 14.33. Hyderabad and Rangareddy districts rank 1 and 3 in service sector production, while Visakhapatnam ranks number 2.

The composition of service sector is important here as it is fast growing sector in terms of employment and income. The share of real estate and public administration to state total within service sector is highest for Telangana which is because of contribution of Hyderabad. Location of head offices at Hyderabad contributes high share to it. Then sharing of income and employment from these sectors becomes an issue (Table II.5). Besides, districts of Ranga Reddy, Medak, Mahbubnagar, Nalgonda also witness considerable share in these two sectors where again migrant people from non Telangana dominate in ownership and employment. Therefore high growth rates in these districts do not imply benefits in terms of employment and income to the local population of the districts. The local populations also have lost ground as they were lured to sell off their landed property in the real estate boom at prices much lower than the market prices.

Table VII.5: Average Percent contribution of Real Estate and Public Administration by Regions at 1999-00 prices between 2000-01 and 2007-08

Region	Coastal Andhra		RayalaSeema		Telangana		Hyderabad	
2000-01 to 2007-08	Real estate	Public Adm	Real estate	Public Adm	Real estate	Public Adm	Real estate	Public Adm
Average	37.39	39.27	12.11	15.11	50.50	45.62	21.14	14.40

VII.2 Per capita Income (PCI)

Table VII.6: PCI at 1999-00 prices and District Domestic Product

District	Per Capita Income at 1999-2000 prices		Rank by Per Capita Income		DDP Average Growth rate during 10th Plan
	2001-02	2006-07	2001-02	2006-7	
Hyderabad	23908	35776	1	1	10.2
Visakhapatnam	22309	33980	2	2	10.8
Ranga Reddy	20168	31021	5	3	8.0
Medak	21033	28431	3	4	8.3
Krishna	20472	28057	4	5	13.1
Khammam	19719	26814	6	6	7.6
East Godavari	19049	25764	7	7	7.0
Karimnagar	17045	25338	11	8	5.4
Prakasam	15958	24679	13	9	7.3
West Godavari	18399	24611	9	10	6.8
Guntur	18978	23285	8	11	10.2
Nellore	17789	23139	10	12	5.0
Nalgonda	14849	21757	15	13	10.8
Adilabad	15276	21118	14	14	8.8
Chittoor	16144	19179	12	15	9.6
Kadapa	13898	18960	18	16	7.3
Kurnool	14581	18610	16	17	6.8
Nizamabad	13685	18469	20	18	8.0
Warangal	13894	18376	19	19	7.6
Mahaboobnagar	12418	18337	21	20	7.9
Ananthapur	14344	18010	17	21	10.3
Vizianagaram	12322	17910	22	22	8.7
Srikakulam	12083	16751	23	23	7.9
Coastal Andhra	18128	25095			8.0
Rayalaseema	14772	18674			6.4
Telangana	17355	25120			9.3
Andhra Pradesh	17193	23977			8.3

Source: Mid term appraisal report for the 11th five year plan, CESS

The higher per capita income (PCI) than the state average income in the districts of Hyderabad, Rangareddy and Medak is not because of high levels of development but because of location of industrial units, IT sector and central and State Government offices. Moreover higher PCI in Telangana districts especially in Medak, Ranga Reddy should be seen in the light of heavy in migration from Andhra. Even then Visakhapatnam in coastal Andhra ranked first in PCI till very recently. Though the Tenth Plan growth rate of 9.3 was higher than the state average, in case of Telangana region, the per capita income in as many as five districts (out of ten districts in the region) continue be below state average (Table VII.6). The picture presented is contrasting viz few districts in Telangana as mentioned above posting high PCI and others are below state average because of location of capital city, and effect of migration. Therefore to surmise that PCI of Telangana is highest becomes incorrect.

VII.3 Migration into Telangana

Contrary to the general theory of migration that it takes place from impoverished regions/ pockets to developed regions, migration pattern in Andhra Pradesh suggests the other way as evident in the study by James and Subramanian in 2003. According to their findings based on 1981 and 1991 Population census:

The net migration (in migration minus out migration) is positive only in South and North Telangana regions both in 1981 and 1991. South Coastal Andhra being most developed among all regions record the highest level of net out migration. It is understandable that south Telangana has positive net migration because of Hyderabad agglomeration, but even north Telangana too has positive net migration. This trend has continued as evident by other studies on migration patterns. The pattern of migration suggests that it has taken place due to abundant availability of resources at cheap cost. Even from public investment like irrigation considerable benefit has been cornered by migrant population.

- The migrants from other than Telangana region into Telangana including Hyderabad is 8.1 and excluding Hyderabad is 5.6 and exclusively to Hyderabad is 2.5 per 100 population according to the 2001 population census (Rao and Shastry, 2009). This has serious implications for distribution gains from growth.
- North Telangana recorded positive net migration in the decades of 1981 and 1991 from SouthCoastal Andhra. Population census 2001 data on migration shows that per 100 population out migrants from south coast are 9.2 of which half (4.1) is to Telagana region excluding Hyderabad.
- The absolute population migrated to Telangana including Hyderabad from Coastal and Rseema regions stands to be according to the 2001 population census around 36,18,400⁴ and excluding Hyderabad it is 27,13800.
- Using the population projections for the year 2009 the migrant population from non Telangana areas into Telangana excluding Hyderabad is 27, 96,000 and including Hyderabad is 37, 28,000⁵.

⁴ The population of Coastal Andhra and Rayalaseema regions together according to 2001 population census is 452.3 lakh.

⁵ The projected population for the year 2009 for Coastal Andhra is 327 lakh and for Rayalaseema is 139 lakh.

Chapter VIII

Agriculture Development: Quality and Sustainability

Historically Telangana has been subjected to discrimination in optimum use of resources in agriculture due to denying of irrigation the lifeline to agriculture and adequate state support in form of credit, extension and infrastructure

A summary of the chapter brings out

- The discrimination meted to Telangana region in public irrigation has denied it the opportunity to use its resources optimally and to release its production forces
- Capitalist development and subsequent modernisation process in coastal Andhra was made possible because of public irrigation which could well utilise new agricultural technology. Similar process has not taken place in Telangana region only because of state's discriminatory policy in providing irrigation
- The good agricultural performance in North Telangana is occasional, not steady and due to shift in cropping pattern to high value crops and irrigation sources which came to be to a large extent from ground water with private investment.
- Distribution of gains from irrigation and hence agricultural growth has gone more in favour of migrant population in comparison to local population
- There is inefficiency in resource use paving way for heavy costs due to inadequate infrastructure in agriculture.

VIII.1 Situation of Agriculture during 1956 to 1969

A comprehensive and concise report which was brought out in 1969 has revealed that agricultural sector has been discriminated (Anand Rao, 1969). The story of agriculture between 1956 and 1969 shows that

- Expenditure on agriculture ideally should have been in the ratio of 5:4 based on extent of net sown area in the two regions of Telangana and Andhra but actual expenditure has been in the ratio of 2.2:1
- The ideal ratio based on population in the two regions 2:1 has not been followed in investment on infrastructure in agriculture (farm machinery, livestock, veterinary services, fertilizer distribution, and rural electrification). In actuality it was in the ratio of 4:1 and 5:1 for the II and III five year plans in that order.
- Land sales in Telangana to non Telangana people should not be taking place without the consent of Telangana Regional Committee (TRC)⁶ according to the Gentleman's Agreement made during the merger of the state in 1956. In fact this clause has been violated the most with early migration from developed coastal region in and around irrigation projects into the hinterlands of Telangana. The implications of such migration are dealt with later in the paper.
- The first phase of Green revolution in the state was confined to coastal region where irrigation has been developed

⁶ The Regional Committee was supposed to ensure all-round development of Telangana

- Story of irrigation is replete with discrimination of violating the capital expenditure norms on major irrigation projects; apportioning of plan funds in the ratio of 2:1. Though Telangana had surplus funds major irrigation projects were put aside on the pretext of 'paucity of funds' (reference to chapter on irrigation)
- Regarding power, the state of AP has not followed any consistent policy in treating state level schemes in apportioning expenditures and benefits. Installed capacity of power was high in Telangana but consumption was in the ratio of 2:1 showing flow of power from Telangana to Andhra (reference to chapter on power)
- Despite slow progress of irrigation, the agricultural output (at current prices) increased at a higher rate (109 per cent) in Telangana than in Andhra region (91 percent) between 1960-61 and 1967-68. Similarly percentage rise in production of food grains has been high due to increase in productivity per acre (Planning and Panchayati Raj Dept, GoAP 1969). The levels of agricultural development is differential for both the regions, hence growth in percentage terms shows high for Telangana in comparison to Andhra region.
- State led public investment was concentrated in creation of irrigation (Nagarjunsagar and Sriram Sagar project), however discrimination was evident in providing due share to Telangana in terms of irrigation, infrastructure, power

The disparities continued during the commercial agricultural phase of agriculture during the decades of 1970s. Among the three regions coastal Andhra was in more advantage in indicators of agricultural growth cropping intensity, area under HYV and consumption of fertiliser because of strong irrigation base (Pochanna, 1997). HYV technology has inherent bias towards irrigation evidently favouring coastal region more than Telangana region which had 2/3rd of its cultivated area unirrigated or rain fed. At the same time there was diversification in cropping pattern from food crops to non food crops and towards production for markets. The decade of eighties and nineties also witnessed a second green revolution where HYV package is extended to non food crops and more so to high value non food crops.

VIII.2 Issues in Agricultural Growth: Telanagana vis-avis other regions

a) Land use pattern

- Current fallows are high in Telangana over 1960-61 to 2008-09 which shows fluctuations in cultivated area
- Other fallows (fallow for more than 1 and less than 5 years) also are rising from 2001-02 onwards
- Total fallow lands are to the extent of 21% (Table VIII.1)
- There are fluctuations in net area sown which is in consonance with fallow lands
- The reasons for increasing fallow lands are poverty of cultivators; inadequate supply of water; un remunerative nature of farming; silting of canals and rivers (Directorate of Economics and Statistics).
- Cropping intensity which is an indicator of land use more than once is low in Telangana region (1.27) in comparison to Coastal region (1.38)

Table VIII.1: Percentage of fallow lands to Geographical area

Year	1960-61		1970-71		1980-81		1990-91		2000-01		2008-09	
Region Name	Other Fallows	Current Fallows	Other Fallows	Current Fallows	Other Fallows	Current Fallows	Other Fallows	Current Fallows	Other Fallows	Current Fallows	Other Fallows	Current Fallows
Coastal Andhra	3.20	4.11	3.06	4.15	3.87	4.37	3.98	3.28	3.23	3.48	3.72	4.31
Rayalaseema	3.64	7.40	4.50	3.73	6.36	10.37	6.93	5.60	5.72	6.43	5.27	8.09
Telangana	3.12	13.71	2.59	9.91	4.93	12.74	4.74	15.73	6.40	13.58	6.86	14.62
Region/ year	Net Area Sown	Area Sown More Than Once	Net Area Sown	Area Sown More Than Once	Net Area Sown	Area Sown More Than Once	Net Area Sown	Area Sown More Than Once	Net Area Sown	Area Sown More Than Once	Net Area Sown	Area Sown More Than Once
Coastal Andhra	41.16	15.39	41.86	18.60	40.98	20.93	42.45	24.94	42.11	26.88	42.57	27.30
Rayalaseema	41.02	7.48	43.38	6.67	36.10	6.16	40.65	6.70	41.53	8.12	41.17	10.16
Telangana	37.30	3.32	43.13	9.51	39.42	7.77	38.04	13.30	38.61	14.51	36.85	21.55

b) Irrigation: Heavy dependence on ground water

- Ratio of irrigated to rain fed area has increased in Telangana more than in other regions (table VIII.2). In other words deviation between sown area and irrigated area has narrowed between 1956-57 and 2007-08. The rise in irrigated area is almost three times by 2007-08 (Rao and Shastry, 2009).
- The share in sown area and irrigated area is almost equal for Telangana (1.01); for Coastal it is 1.52 by 2007-08
- This is one reason for growth in agriculture production but at the same time it is important to see the source of irrigation which has implication for cost of cultivation
- Percentage share of net irrigated area (NIA) under canals has fallen for the state as a whole from 45 to 35
- Percentage share of NIA under canals is abysmally low for Telangana at 13 by 2007-08 just the same as in 1956-57 the year of formation of state of Andhra Pradesh; reached a peak at 25% in 1970-71 and fell thereafter. This shows inconsistency in canal irrigation due to poor maintenance, siltage etc
- Percentage share of NIA under wells (tube and dug wells) in Telangana is 75 followed by 68 in R seema and 24 in coastal Andhra by 2007-08
- Percentage share under tanks at the inception was high at 41 and fallen to a pitiable low at 13 for the whole state which shows the negligent state policy towards minor irrigation. The dependence on tanks has been high in Telangana (67% in 1956-57) which became tragic victim due to discrimination in maintenance of tanks
- The rise in irrigated area shown (Table VIII.3) is mostly under the source of wells which has along with it an additional private cost borne by the farmers themselves.
- Growth in private investment in terms of tube wells is higher in Telangana compared to Coastal (Table VIII.4).
- Growth rate in number of market yards (with government investment) is also higher in Coastal region (Table VIII.4)

- Consistently high growth in per capita income from agricultural and allied sectors in Coastal Andhra is because of high public investment in Coastal region compared to Telangana.
- Growth in agriculture is entirely due to public investment from state whereas growth in Telangana is because of private investment which is a heavy burden for the farmers
- Farmers in dry land bear substantial burden of irrigation provision from their own resources, often by heavy borrowing, and still end up with very unstable and low-level of irrigation, while farmers in the relatively well developed Coastal Andhra enjoy the benefits of stable and high level of irrigation developed through public investment.
- Increased agriculture growth, in the 90s and subsequently, in some of the districts in Telangana region dominantly consisting of dry land areas is due to the rise in ground water as main source of irrigation. The dependence on the ground water for irrigation, given the low scope for ground water recharging due to low rain fall and low levels of surface irrigation including neglect of irrigation tanks, is not conducive for sustainability (Subrahmanyam, 2003).

Table VIII.2: Trends in the Ratio of Irrigated to Rain fed Areas—AP (%)

Coastal Andhra	Rayalaseema	Telangana	Andhra Pradesh
1	2	3	4
46.3 : 53.7	12.2 : 87.8	15.1 : 74.9	24 : 76
53.5 : 46.5	14.1 : 85.9	16.2 : 83.8	27.7 : 72.3
50.9 : 49.1	16.8 : 83.2	17.5 : 82.5	28.2 : 71.8
53.7 : 46.3	18.5 : 81.5	21.7 : 78.3	32.3 : 67.7
57.9 : 42.1	19.7 : 80.3	34.3 : 65.7	39.1 : 60.9
55.5 : 44.5	22.4 : 77.6	38 : 62	40.4 : 59.6
56.9 : 43.1	23.3 : 66.7	43.0 : 57.0	43.5 : 56.5
56.4 : 43.6	22.6 : 77.4	43.2 : 56.8	42.3 : 57.7
Source: Statistical Abstracts, AP & Compendium of Area & Land Use Statistics of AP, 2006			
Note: Sums of the two % figures in each ratio in all the columns are equal to 100			

Table VIII.3: Relative Shares of Regions in Canal, Tank and Well Irrigation

Year	Canal Irrigation				Tank Irrigation				Well Irrigation			
	CA	RS	Tna	AP	CA	RS	Tna	AP	CA	RS	Tna	Andhra Pradesh
	1	2	3	4	5	6	7	8	9	10	11	12
1956-57	84	7	9	100 (1274)	39	16	45	100 (1180)	26	34	40	100 (321)
1960-61	83	7	10	100 (1331)	48	16	36	100 (1148)	27	35	38	100 (328)
1970-71	76	10	14	100 (1578)	46	14	40	100 (1113)	41	43	16	100 (501)
1980-81	75	9	16	100 (1695)	54	7	39	100 (900)	28	29	43	100 (777)
1990-91	73	8	19	100 (1871)	51	9	40	100 (969)	24	23	53	100 (1304)
2000-01	74	8	18	100 (1649)	55	8	37	100 (727)	24	22	54	100 (1883)
2001-02	77	7	16	100 (1562)	52	14	34	100 (568)	24	23	53	100 (1927)
2002-03	82	6	12	100 (1209)	56	8	36	100 (426)	27	23	50	100 (1842)
2003-04	81	7	12	100 (1137)	55	6	39	100 (490)	29	21	50	100 (1870)
2004-05	83	8	9	100 (1346)	67	6	27	100 (477)	27	21	52	100 (1904)
2005-06	74	9	17	100 (1572)	49	13	38	100 (662)	25	20	55	100 (1986)
2006-07	76	7	17	100 (1623)	56	6	38	100 (602)	25	20	55	100 (1883)
2007-08	78	8	14	100 (1610)	62	10	28	100 (585)	24	19	57	100 (2287)
Source: Statistical Abstracts, AP and Compendium of Area and Land Use Statistics, AP, 2006												
Note: Figures in parantheses are irrigated area in 000 ha.												

c) Agriculture Subsidy

An analysis of crop wise and region wise subsidies for agricultural sector based on acreage in 2007-08 at constant prices of 1995-6 confirm that the major beneficiaries of subsidies are sugarcane followed by rice and cotton, which are predominant crops in coastal region. The total subsidy per hectare of gross cropped area is the highest in Coastal (Rs.1552/hectare followed by Telangana (Rs.1339.6/ha) and Rayalaseema

(Rs.1104/ha). Overall, the above analysis indicates that coastal region by specializing in rice crop is taking advantage of both international competitiveness coupled with high subsidy, while Rayalaseema region is enjoying the benefits of high subsidy coefficient for both groundnut and sunflower, while Telanagana region is left out (Reddy and Reddy, 2010).

Table VIII.4: Region wise Annual Compound Growth Rates (ACGR) of important Indicators during 1956-2007

Indicator	Telangana	Coastal	Rayalaseema
Per capita income from crops	1.70	1.57	0.86
Per capita income from livestock	2.47	4.44	3.75
Per capita income from agriculture and allied sectors	1.93	2.17	1.29
Market yards (nos.)	1.40	1.71	2.39
Private investment (area under well irrigation/GIA)	5.08	4.79	2.07

Source: Agricultural sector: Case for Telangana (Reddy and Reddy, 2010)

d) Sustainability issues

- Increase in the area under cotton under hybrid varieties is observed in North Telangana (NT) and South Telangana (ST) as an irrigated dry crop. In 2004-05 Telangana allocated 16.75 percent of its gross cropped area to cotton.
- In 2003-04, about 57% of the bank credit to agriculture was to the relatively more developed coastal districts while the shares of the relatively backward Telangana were 29%.
- With increasing preference for lending to non-agricultural activities by institutional sources of credit the farmers are forced to depend more on high cost credit for farm business investment and capital investment especially investment in bore wells (Galab and Revathi, 2006; Subramanyam, and Aparna, 2007; Reddy, 2007).
- The purpose for which the farmers have taken loans during the five year period ending 2003-04 has revealed that on an average 14 to 25 per cent amount borrowed is towards fixed capital, mostly for irrigation (i.e. digging bore wells). If the expenditure incurred towards repairs is added, the share will increase substantially.
- Cost of production in the case of dry land agriculture is much higher because of private irrigation than for in the case of assured irrigation (reference to minor irrigation status in chapter on Irrigation).
- Sample study in four districts reveals the expenditure on irrigation is high. Further, the dependence on non-food crops and on markets for inputs is higher in the relatively low growth districts more or less on par with the developed district (Revathi, 2007).
- Given the regional inequalities in growth between the backward and developed areas the farmers responded to market signals in terms of raising non-food crops to participate in the second round of green revolution at their own risk
- The method of organizing agriculture involves more investment and risk in Telangana compared to that in the developed Coastal area.
- North Telangana witnessed growth in agriculture, but agriculture is organized inefficiently because of lack of resource use efficiency due to state discrimination in

providing inadequate infrastructure in agriculture (Reddy and Reddy, 2010). Then such growth is of high cost and sustainability of growth also becomes questionable.

The Techno-Economic Survey of AP conducted by National Council for Applied Economic Research (NCAER) states that, “the scope for large scale exploitation of ground water is absent in Telangana as the substrata are trap or granite, incapable of yielding prolific groundwater supplies”. This explains why 12 % of wells way back in 1956-57 was not in use. At the same time the Survey observed that “ Godavari river can very well be tapped in future to benefit the Telangana region, and the potential area for irrigation through major and minor irrigation sources is estimated at 84 lakh acres i.e three fold increase in area irrigated in 1967-68 (see CH H Rao, 2010, pp108). Utilization of Godavari waters has not taken place till date and area irrigated by major and medium irrigation in Telangana remained to be even lower than at the time of state formation. This is the commitment of state of Andhra Pradesh towards development of Telangana!

Distribution Issues

- Due to the positive net migration recorded by North Telangana as shown by studies on migration pattern, distribution of gains from agricultural growth due to public irrigation is biased towards migrants as they are the beneficiaries of it mostly. On the other hand gains from private irrigation are risky and subject to high variations.
- Historical evidence shows that migrants from Coastal region since formation of state of Andhra Pradesh have settled in the vicinity of irrigation projects in Nizamabad, Karimnagar, Warangal, Mahbubnagar and Adilabad districts of Telangana.

Suicides, Human suffering and costs for Telangana⁷

- The incidence of suicides is lower in the South Coastal Andhra Region and the lowest in the North Coastal Andhra Region; the incidence is the highest in Northern Telangana followed by Rayalaseema and South Telangana
- 2/3rd of total suicides between 1998 and 2006 took place in Telangana
- Incidence of suicides is high in Telangana because of the high risk taken by farmers in terms of private irrigation in absence of low cost public irrigation.
- Farmers with more exposure to the raising of nonfood crops have more probability of committing suicide. Expenditure on education and health has positive effect on the probability of suicides, which compounds the burden of indebtedness on the farmers.
- The suicides are regional phenomenon in the state as the incidence of suicides is centered in dry land regions.
- Low proportion of credit from institutional sources, high expenditure on private irrigation sources, higher proportion of cultivated area under commercial crops, heavy dependence on markets for inputs are together increasing the probability of a farmer committing suicide.
- Farmers located in the dry land areas, irrespective of the category of farmers, are prone to commit suicides.

⁷ This section on farmers suicides is drawn from study by Revathi (2007, 2008)

Box VIII.1

Private investment on irrigation, indebtedness and suicide

Shankar was ambitious, and wanted to live a good life. When we were in joint family the main occupation was toddy tapping and cultivation. We got separated; we also purchased a share of the toddy trees (5-6 trees) for Rs 3000. The income was just sufficient for our sustenance. As the family expanded income was not sufficient and Shankar took two acres of land on lease for 2-3 years. In the first year he planted cotton in one acre and then extended it to two acres. He also planted chilli in two acres in one year. We had no bullocks or plough and worked with rented tractor. It went on smoothly for a couple of years. Later he purchased half acre of land and then another quarter acre for which he borrowed Rs 30,000 from private sources. After purchase of land he went for bore well which yielded .25 inch of water. He also went for an open well around the bore well to a depth of 30 feet which cost Rs 17,000. He purchased motor for Rs 3000. All this he did within a span of one year. He was one who never shirked for work and was always in the thoughts of how to consolidate the agriculture. All this led to a cumulative debt of Rs1.1 lakh which became burdensome. One of our relations pressed hard for the money and insulted him in the public. Unable to bear the pressure he consumed pesticide in the house.

- Manda Rama Devi, wife of Manda Shankar from Chityal village in Warangal district as reported in 2006

Chapter IX

Violation of Rights in Telangana

Exploitation of resources belonging to Telangana has been taking place from the inception of state formation. Adivasis have been facing the wrath of migrants who by ruthlessly violating all legal Acts have usurped their land, and livelihood. Forest cover is 26 percent of geographical area in Telangana. Tribals constitute 12 percent of Telangana population. Districts of Adilabad, Warangal, Khammam and Chenchu areas in Mahbubnagar fall into the Schedule V of the constitution giving special rights and privileges. Land alienation is the biggest problem faced by the adivasis since times of Nizam. However state formation has intensified their problem with exodus from coastal Andhra to whom the Adivasis have lost their lands. The forms of violation of land laws, the Land Transfer Regulation Act, the one of Seventy Act prohibiting land transactions belonging to adivasis to non tribals have been myriad in ways what with the connivance of settler bureaucracy and state powers. One of the forms in which tribals' lands were alienated was through adivasi women in the name of fictitious marriage/concubinage. The most favourable destinations for the settlers were vicinity of irrigation projects and tribal areas. Adivasis are the most deprived after formation of Andhra Pradesh. Violation of human rights has been taking place unabatedly when tribals and other people fight for their land, livelihood and basic needs.

IX.1 Adivasi rights in Telangana

- Adivasis in Telangana face innumerable problems, the primary among them being land alienation mostly in the hands of non tribals belonging to Andhra region.
- The districts of Adilabad, Warangal and Khammam listed under Schedule V of the constitution along the Godavari river have attracted migration of non tribals from Andhra region.
- In spite of Land Transfer Regulation Act (LTR) (1959) and Regulation of 1 of 1970 to plug holes of 1959 LTR tribal lands are alienated to non tribals from Andhra region mostly by way of innumerable forms of violations often assisted by state officials who also belong to Andhra region.
- In the agency areas particularly along the bank of river Godavari the settler landlords belonging to Kamma, Kapu and Raju castes from Andhra region resemble a medieval set of feudal landlords having under their control vast tracts of fertile black soils belonging to the tribals of Telangana region (Janardhan Rao, 'Tribal Land Rights, Government and Socio-Political Movements' in Problems in Tribal Society, Rajiv Gandhi Institute for Contemporary Studies Paper no 47, 1998).
- Haimendorf writes that when he revisited Utnoor in Adilabad district in 1976 and 1977, he found massive encroachment of outsiders on tribal lands. Firstly it was Marathas, Hutkaas, Mahars, Lambadas and Muslims from Maharashtra. In course of time, the immigrant non tribals' lands have passed into the hands of immigrant non-tribals mostly from four central coastal Andhra districts.
- In VR Puram mandal in Khammam district of Telangana 8,200 non scheduled tribes from Nellore, Kanigiri and Nandyal are in possession of tribal lands which they took on lease some years ago and are enjoying in violation of LTR (JM Girglani, The Tragedy of Tribals in Telangana, V Annual Prof B Janardhan Rao Memorial Lecture, Warangal, 2007)
- Similarly almost entire agriculture land in Govindraopet Mandal in Warangal district

is under occupation by settlers from Andhra region. Most of the tribals have fled from the villages of this mandal (JM Girglani, 2007)

- The most atrocious violation of the LTR and regulation of 1/70 is that all lands in Bhadrachalam Municipal town (an important pilgrimage centre in Telangana) and the peripheral urbanized and urbanisable area is occupied by settler non tribals from Andhra area with commercial buildings, hotels, colleges, and residential buildings
- Concubinage or marital alliance is another predominant form to circumvent law by which large areas of fertile lands were purchased by settler non tribals from Andhra area and registered in the names of tribal women whom they kept falsely as their mistresses. These marital alliances not only served economic purposes but also for securing political power by usurping reserved seats of authority at the local level (PT George, Access to Land- An Alternative Approach, National Institute for Rural Development, Hyderabad, 1976)
- Very recently adivasis mobilized under AP Girijana Samkshema Parishat have carried out relay hunger strike for 31 days in front of Collectors Office in Bhadrachalam. Their primary demand is to see that the recommendations of Land Committee report under the Chairmanship of late Sri Koneru Ranga Rao, then Municipal minister in the Congress government are to be implemented stringently to arrest settler non tribals mainly from Andhra area in undertaking commercial constructions (Pamphlet of the AP GSP in annexure).
- Thus it can be undoubtedly said that adivasis in Telangana are the most deprived and denied of lands and basic livelihood because of non tribal migrants from Andhra region who established their control over adivasi resources having a nexus with state bureaucracy primarily belonging to their ilk.
- Andhra leadership is also making claim on Bhadrachalam in the event of bifurcation of state which is ill motivated to have control on Godavari water (confluence point of Godavari and Sabari at Chintoor has more water) and also to construct Polavaram project without any hurdles. Construction of Polavaram is bound to have a death blow to the very existence of the Koya tribe which largely inhabits the area.

IX.2 Violation of Human Rights in Telangana

The demand for Separate Telangana is an issue of legitimate right of the people of Telangana Region. This right is a result of unfulfilled promises, not keeping gentlemen's agreements, flouting of Government orders and non realisation of assurances given according to constitutional provisions. All this resulted in injustice in irrigation water utilization, under allotment of resources and paucity in Development. In every sphere of life people felt that they have been cheated and deliberately being neglected. As result of this, deprived people felt that only a separate State alone is solution as promised by the governments time and again. Number of Committees were appointed by the centre and the state governments starting with Fazal Ali Commission in 1953 to look into issues of states reorganization, unspent surpluses in Telangana, employment issues which are only few among others.

Sadly the recommendations of these Committees that were pro-Telangana were never implemented. Telangana people perceive that the past committees were appointed to buy time and deny the just rights of Telangana. Dishonoring the recommendations of these committees was in addition to violating the promises given in various agreements, legislations, government orders and formulas. Few of the Committees like Rosaiah Committee and Pranab Mukerjee Committee appointed quite recently are not known to whether they have completed their studies and submitted reports

Whenever the people asked for their rights the Governments always used iron hand to suppress the movement by resorting to grave human rights violations. The 1969 movement is a glaring instance to this extent. This has been the practice every time the question of Telangana Statehood arose. Even the slightest dissent or the assertion always looked as a disturbing trend and put down heavily by the State.

The Naxalite upsurge in Bengal and percolation into other parts of the country including this part has further worsened the situation. As a result of the above described discrimination and deprivation educated in the cities, youth and peasants in the rural areas looked for some hope in the movement as it was raising questions of natural justice society and human dignity in place of oppression and lopsided development in the districts of Telangana region. The movement that initially started in Srikakulam District very soon like a wild fire spread to Telangana area. Any legitimate demand or any expression of aspiration in the Telangana districts was put down ruthlessly as part of a designed policy of suppressing Naxalite movement. Students who were attracted to this movement were killed staged encounters, jailed and systematically tortured. Any general issue that was raised has been viewed as a sponsored problem of the Naxalites, may it be hike in bus fares, hike in tuition fees of the students, scarcity of drinking water, educated asking for jobs, the issue of corruption and amassing of wealth by politicians and corrupt bureaucrats. Government never attempted to look into the problems raised but always tried to suppress the opinions by giving more and more powers and promotional incentive to police for their adoption of arbitrary methods like encounter killings, disappearances and tortures. Youth who went to work in tile factories were searched and killed by police. Even those who went to Gulf countries by raising loans from money lenders too were killed on many occasions by police when these hapless men returned home after some time. This situation prevailed in the districts of Karimnagar, Nizamabad, Medak, Warangal and Mahaboob Nagar. Human Rights Groups brought many such issues into lime light through the fact finding studies. From 1968 to 2009 around 2,700 people were killed in encounter killings in addition to more than 900 custodial deaths. About 47 people have disappeared in the state so far, these are men lifted by police whose whereabouts are not known and they fell into the category of "Missing".

Table IX.1: Number of Encounter Killings in Telangana

Period	Number
1968-1984	352
1985-1990	216
1991- 1995	672
1996- 2000	1013
2001-2007	799

Source: Human Rights Forum, Andhra Pradesh

Farmers are forced to commit suicides amounting to violation of right to life. This was compounded by hunger deaths in some districts of Telangana. Large scale migration to urban areas, growth of trafficking of workers, trafficking of women to sex trade resulted in gross violation of right to a life of dignity and honour.

Since the time Telangana Movement got intensified, the worst Human Rights violations took place in the University campuses and educational Institutes. Students who were agitating for Telangana and who were showing solidarity becomes a prey to Police brutality. Universities and Degree Colleges in Warangal, Nizamabad, Nalagonda and

Mahbbobnagar have become almost police camps. Osmania University has a 10,000 strong student-body of whom 75% are first generation learners from largely backward class and Dalit families of the Telangana region. There are nearly 2000 women students from similar background who stay on the campus. Consequent to the announcement of fast unto death by Mr.K.Chandrasekhar Rao, the Osmania University Student Joint Action Committee (OU JAC) was formed to agitate for the formation of a separate Telangana state. Soon it emerged as an important nodal point attracting disproportionate share of attention from the law and order machinery of the state. Right after JAC began their relay hunger strike campaign on 29th November, police and the government started their attempts to portray OU as 'infiltrated' with outsiders or students being led by Naxalites. Repeatedly we were told that Osmania University is a 'sensitive area' prone to 'disturbance and violence'.

Till the Supreme Court gave a directive on 20th February, several platoons of Central Reserve Police Force, Andhra Pradesh Special Police Force, Rapid Action Force, Grey Hounds etc. got stationed on the campus, their numbers swelling as soon as the students announced any programme of agitation. All the by lanes connecting the two roads of the University were barricaded with barbed wire fencing and vehicular and pedestrian traffic was severely restricted, leading to intense inconvenience to the students, faculty, staff, workers and the commuters.

Till now, there have been five instances of lathi charge, tear gas and firing rubber bullets on 29th November, 7th December, 20th January, 14th February and 15th February. In each instance, ten to twenty students were injured and later also charged with multiple criminal offences. Student leaders have 60 to 70 cases each filed on them. The incident of 14th February stood out in its programmatic attempt to create terror among the agitating students. On that evening the police cut off electricity in the entire campus, sent away the 108 ambulance that is usually stationed on the campus, cordoned off the University in the 2 Km radius, declined to permit the doctors who came to treat the injured, broke all the street lamps and conducted the entire 'operation' under the flood lights.

Human rights groups that have conducted fact-finding inquiries into these incidents have stressed the fact of police provocation. In two instances, the police stopped lathi charge only when a large group of lawyers entered the campus to stand (literally) in between the police and the students. It is not only the students but the inhabitants of the nearby Manikeswar Nagar basti who have been subjected to severe police harassment for renting out rooms to the University students and supporting them in times of crisis. Till now, according to a rough estimate more than 500 omnibus cases have been booked against the students. Many student leaders have also been arrested and spent up to twenty days in judicial custody. Students also got arrested at their native villages and their families got harassed. Several others report having curtailed their travel outside the campus for the fear of being arrested. For many students, especially women, if this happens, going back home may mean never coming back to the University.

Even though the barricades, barbed wire and police force are now removed from the campus, state government's attempt to 'criminalize' the agitation for Telangana by students of Osmania University needs to be strongly opposed for the following reasons:

1. Deliberate attempt to turn the Osmania campus into a battle zone through excessive deployment of different police forces, thereby creating an intimidating atmosphere on the campus which is inimical to pursuing of education as well as freedom of movement.
2. Long term police deployment on the campus which forebodes ill for both the academic autonomy and political freedom in the University.
3. Threat and actual filing of several criminal cases on the students adversely impacting the higher education of a whole generation of Backward class and Dalit students.

Given the excesses of police repression and brutality in Telangana region over the past thirty years, it is important that this phenomenon – of turning a protesting University space into a site of repression in the present upsurge needs to be understood carefully.

Chapter X

Social Inclusiveness in Telangana

X.1 Social Inclusiveness in Telangana⁸

Statehood for Telangana is a national issue and not just a regional one. This is because it represents the on-going social change in the country for the empowerment of people through decentralized governance by broadening and deepening the working of our democratic system. Such empowerment and governance would enable articulation of the real problems of the people and their solution. This would inevitably result in 'Samajik' or 'socially inclusive' Telangana.

Inclusiveness could not be achieved so far in a bigger state because the voice of the disadvantaged sections remained fragmented. Experience shows that the traditionally entrenched interests are perpetuated in bigger and heterogeneous states because of their easy connectivity arising from their access to large resources, power and influence. The weaker sections, on the other hand, can come together, organize themselves and raise their voice effectively in a relatively homogeneous state because of common history and traditions and hence easy communicability.

Tribals are the most disadvantaged section socially and economically with negligible political voice. They live in remote areas and are subjected to land alienation on a large scale. Hardly any initiative has been taken so far in Andhra Pradesh to restore their lands despite the strong recommendations made by a High-Level Committee headed by a Minister constituted by the present government (Government of Andhra Pradesh, 2006; CH H Rao, 2007). There, the administration is alienated from the people and has been a breeding ground for extremist activities. But this has been treated not as a socio-economic issue, but mainly as a law and order problem. Because of this, the plight of the tribals has been perpetuated and the extremist activities have been surfacing time and again, notwithstanding the claims of success in this regard by the authorities.

According to 2001 Census, Scheduled Tribes population constitutes around 9 percent in Telangana as against 5% in the rest of the state. Thus, as much as 60 percent of the ST population of A.P. state is concentrated in Telangana. Their voice can be expected to be more effective in separate Telangana, not the least because their representation in the state legislature and other elected bodies at different levels would be proportionately greater.

Similarly, the population of Muslims is as high as 12.5 percent in Telangana when compared to 6.9 percent in the rest of A.P. state. As many as 61 percent of Muslims of A.P. live in Telangana, of whom 60 percent are spread over in different districts other than Hyderabad. They too can be expected to have greater political clout in separate Telangana in determining their fortunes as they can more easily relate themselves with the rest of the disadvantaged sections of the society in the struggle for a better and more secure livelihood. It must be noted in this context that social harmony between people professing different religions and speaking different languages has been

⁸ This section is drawn from VII Annual Prof B Janardhan Rao Memorial Lecture by CH Hanumantha Rao, on 'Regional Disparities, Smaller States and Statehood for Telangana' Warangal 2009.

proverbial in Telangana because of their shared history and traditions spanning over centuries.

SC's account for about 16 percent of population in Telangana as well as in the rest of A.P. Census does not give the figures of BCs. But we know from different sources that socially and economically disadvantaged sections including SCs, STs and BCs constitute not less than 85 percent of population in Telangana. Radical land reforms were the prime agenda for the peasant movement in the 1940s. However, not enough time was available for this process of agrarian reforms and radical social transformation to run its course. In fact, it was interrupted with the integration of Telangana with the Andhra region, so that it still remains an unfinished revolution or an unfinished task. In a larger and heterogeneous state like A.P. there is no adequate perception of this problem by the dominant political leadership which hails basically from the developed parts of the state.

Thus the weaker sections constituting a large majority of population in Telangana would be better able to articulate their problems and politically assert themselves in a separate state. Formation of Telangana state would thus strengthen the forces of social inclusion and secularism.

X.2 Roots of Inclusiveness⁹

Dalits, besides minorities were granted lands around Hyderabad city, besides good education, in vernacular (Urdu medium) in the erstwhile Hyderabad state. Eminent Dalits were serving some important positions in the Nizam government and thereafter. Besides being highly educated, Hyderabad Dalits were instrumental in social and political movements in the state. Hardly there were any atrocities being committed against these communities, as was the case in other parts of the country.

Andhra government that had both upper caste/Reddys as Chief Minister(Bezwada Papi Reddy) and Deputy Chief Minister(Neelam Sanjeeva Reddy), continued to maintain upper caste and regional dominance as usual even after the formation of Andhra Pradesh. The saga of violation of agreements and assurances continued in the state of Andhra Pradesh unendingly beginning with denying Deputy Chief Minister post to Telangana. Incidentally, Telangana Chief Ministers were ready to comply with the terms and conditions of any agreement, lest they were compelled to quit the positions abruptly within a year or so. Suffice it to cite the case of PV Narsimha Rao who was forced to resign from the position of Chief Minister, for he simply welcomed the Supreme Court Judgment that upheld the MULKI rules in the state. Whereas the same person could run and manage the Congress-minority-led Union Ministry for full five years, as Prime Minister of India!

Here comes the question of numbers, domination and democracy. Since, the Andhra-seema legislators being majority with 189, in the Andhra Pradesh Legislative House of 294, Telangana legislators were in minority, with a mere 107! That is the crux of the whole problem in the state. Since numbers matter more than anything else in any democracy worth the name, those having more numbers are crucial in decision making. Once decisions are made then their implementation becomes the mandatory obligation of the bureaucracy/executive. Incidentally, as Andhra Pradesh Legislature was dominated by the Andhra legislators, the State Secretariat was also predominantly occupied by the same Andhra personnel. As against 9% of the Telangana employees, 91% of the Secretariat was grabbed by the Andhra employees. There is hardly any change in

⁹ This section is based on note by K Vidyasagar

that composition even today! Even among those Telangana employees, majority of them are found to be serving in the position of driver, attender, lift operator and other manual labourers. When Legislature and Executive bodies are so constituted that there will always be regional domination, then there would certainly be regional bias and discrimination imposed on the Telangana region, consciously or otherwise. With or without statistics too, one can argue how and why injustice is done to Telangana region and its people.

Whether it is the issue of violation of agreements or assurances or that of regional discrimination, it is always those who command majority in the Legislature would have the edge. Political parties are supposed to be the basis for formation or management of governments in democracy. But, in the case of Andhra Pradesh, it is regions and regional leaders that decide the fate of governments. Congress party has monopolized the government in the state for four decades, whereas the opposition-led TDP managed the government in the remaining period. While the Congress could offer the positions of Chief Minister ships to the Telangana region on couple of occasions, albeit short tenures only, the TDP seldom give such opportunity to the Telangana region. In any case, both the High Commands (Congress and TDP) were always impressed and kept in good humour by the Andhra-affluent politicians.

X.3 Andhra Weaker sections elevated at the cost of their Telangana counterparts

As in the case of upper castes belonged to Telangana region, the lower castes too were lagging behind their counterparts in the Andhra region. For, historical factors can be attributed for their backwardness. While the Telangana-natives were hardly educated, leave alone English medium, their medium of instruction being Urdu, they were in no position to learn their mother tongue i.e., Telugu! In contrast, their counterparts in the Andhra region were privileged to have had education being imparted not only in Telugu medium, but also in English because of their exposure to colonial rule of British. This sort of disparity existed long before the merger of Andhra state with that of Telangana/Hyderabad.

In view of such glaring discrimination being discernible in the Telangana-Andhra weaker sections that includes SCs, STs, OBCs and Minorities in almost all dimensions of life, the movement for separate state formation assumes significance. Like their fellow upper caste men and women, the Telangana Lower castes/Weaker sections are less competent in the field of education and employment, owing to the age-old suppression and oppression by the feudal lords and their agents. Thus, besides being faultless in their mother-tongue (Telugu), the Andhra people were educated in English media emerged successful in any competition for jobs and business ventures in the state of Andhra and before (Madras). Formation of Andhra Pradesh provided the English-knowing Andhra persons plenty of opportunities in securing high level positions in the state bureaucracy and outside. Expectedly, the Telangana-born persons were in no position to get their share of jobs, even though the so-called Mulki rules (Local) were in vogue. Within no time, Telangana youth were on the streets, and thereby joining the mass of unemployed over a period of time. For, Andhra settlers since having secured fake-mulki certificates somehow, managed to grab more jobs in the newly formed state government. Gradually, the bureaucratic domination, having the support of Andhra Legislative majority, helped the settlers in their consolidation at all levels.

The Andhra domination evoked sharp reactions in the Telangana students and youth that culminated in the rise of historic Jai Telangana movement in 1969. While both the governments being controlled by the Congress party suppressed the movement violently, the Telangana people taught bitter lessons in the 1971 Lok Sabha elections. Besides, the agitating youth and students joined the path of Naxalbari in Telangana and elsewhere, as a token of protest to the political manipulations of those times. But then, the slogan of Jai Telangana was never taken back. In fact, new generations of students, particularly belonged to the weaker sections had reacted to the Andhra domination in their own ways, but never yielded to the manipulations of any governments thereafter. As and when opportune times surfaced on the political horizon of Telangana, these students and youth responded to the call of new state formation accordingly. While politicians are there always trying to fish in the troubled waters, the emerging student leadership had maintained patience and acted as per the times.

X.4 Massive participation of weaker sections in the Telangana Movement

The students, youth and others belonging to these communities had always participated in the Telangana movement in a big way, beyond their population figures/percentages. Compared to their upper caste brethren, these communities were in no position to withstand the domination of their counterparts in the Andhra region, more so in the wake of globalisation. More specifically, they are unable to buy education being offered by the Andhra Corporate institutions. Nor are they willing to buy corporate medical health facilities in the present state. These underprivileged communities are left to government sector that seldom caters to their needs to any level.

According to some estimates, more than 90 percent of the Telangana share in the state-level positions be it in the Secretariat or AP Public Service Commission, or Directorate of Higher Education etc., are grabbed by their counterparts from the Andhra region. That is sufficient to dominate over the state bureaucracy, which is crucial in the allotment of resources and funds. Further, as per some anecdotal evidence, such funds are left to the mercy of these Andhra officials, who invariably spend lesser amounts in Telangana region, and thereby causing to lapse of funds. Whereas, same officials help their fellow regional ones in execution of all ventures and schemes so that the targeted amounts are spent without any delay.

Interestingly, there are also cases where Andhra settlers grab the schemes and subsidies that are meant for Telangana people by way of manipulating local candidates or keeping them as benami/proxy applicants. Suffice it cite the case of Civil Servant aspirants from the Andhra region joining the Coaching centres being established in the Hyderabad city. Very few Telangana candidates are found to be enrolled in such institutions, due to overwhelming number of Andhra candidates being selected in the present Andhra Pradesh! As long as AP is taken as a unit, Telangana weaker sections would never get their due share in any field. Even in the case of SCs and STs, in the absence of any local protection mechanism ala Mulki rules, their constitutional obligation is at the receiving end, as Andhra candidates would always outnumber their Telangana counterparts.

X.5 Scope for higher Political Empowerment of Weaker sections in Telangana

In the present AP, upper castes (Reddy-Velama-Kamma) belonging to three regions, having emerged as a crucial nexus, would continue to betray the interests of weaker sections. If we go by the population figures in the AP, Weaker sections constitute lesser force, whereas their number would be many times more, if the Telangana state is created.

For instance, of the SCs, Madiga community would become the single largest (14%) one in the new state. The Tribals and Muslim population would be more in Telangana than the state average. All these communities might emerge as one dominant entity that could easily take on the powers that be (Upper/dominant castes) in the new state.

Unlike before, weaker sections are actively involved in the present historic movement for Telangana state, as they are convinced of their betterment possible only in the new state. Thus, we find them leading the Joint Action Committees (JAC) at all levels including the prestigious Osmania University, Hyderabad. Expectedly, it is these weaker sections that are facing the police atrocities and cases, besides being put in the jails for months together. Most of those who committed suicides are those belonging to these communities. It is not a mere geographical entity that these students and youths are sacrificing for, in the movement, but for their self respect, which is possible only when they get the opportunity to rule themselves. In view of these changes in the character of the movement, the civil society and lay men and women are ready to extend their support to the weaker sections, which are otherwise known as, Bahujans, the majority that is entitled to rule in any democratic society.

Summing up

- Legislative dominance gave rise to the bureaucratic dominance; both in turn paved the way for judicial domination.
- Besides, the Andhra affluent sections monopolised the fourth estate, that is, media, which fuelled the already hurt feelings of Telangana further, whereby the very identity of Telangana was in question.
- The sons of the soil, lost their resources to their fellow Andhras, but also treated as second grade citizens, in the place of their birth.
- Settlers dominated not only in the state secretariat, but also in their daily life.
- Gradually, the feeling of alien rule has shaken the local Telangana population again, as before in 1969. However, unlike before, now that the entire population sans politics responded to the call of self rule that alone assures self respect of one and all.

Chapter XI

Conclusion and Way Forward

Discussion on Telangana statehood issue has assumed multidimensional nature since the beginning of current phase of agitation from December 2009 onwards. Debate centered on economic, social, historical, cultural, and political and of all emotional dimensions whipping passions in the society. We as a collective group of academics and engineers given the expertise in respective fields have attempted to present non emotionally the story of discrimination and hence deprivation meted to Telangana region with regard to some crucial dimensions in its long sojourn in the state of Andhra Pradesh. There is substantial evidence to the discrimination and deprivation on any front which acted as a deterrent to the cohesiveness of state of Andhra Pradesh unified in the name of one language.

Resource exploitation has been the bone of contention all through. Chapters on irrigation and power do trace the forms of control and hence exploitation of natural resources the water and coal reserves for irrigation and power generation. This has given the real power to the rulers and disempowerment to the people of Telangana. Financial resources the key to command over physical resources have been exploited to the advantage of the Andhra region. The very fact that the struggle for statehood of Telangana is long drawn or protracted shows the firm control over resources and its exploitation. Control over land beginning from forests, the land of 'adima vasis' or the indigenous people to that of vast tracts of lands in the plains near irrigation sources, large tracts of lands belonging to various trust boards, Wakf boards (Muslim Minority lands), endowment lands, assigned lands, tank beds in the city of Hyderabad and many others have been taking place unabatedly with and only with political power and machinations. Political power has made to violate the logic of economics. This is very clear in the ways of shifting base the projects to areas where it would be uneconomical to set up by way of increased costs for transportation as in the case of thermal power and irrigation water. Therefore the power of Andhra leadership has paved way to economic irrationality which also acted as deterrent to economic growth. Political power with Andhra leadership in the state has led to two major effects one lower economic growth which in fact could have been equated to that achieved by high growth states like Punjab, Gujarat, Maharashtra etc or even to that of neighbouring south Indian states; and two it led to deprivation of a large section of people in backward pockets remained to be backward. In other words development process that has been taking place in Andhra Pradesh is socially not inclusive by geographical region, class, social category and by gender. Neo liberal policies being in forefront from the decade of nineties have worsened the regional inequalities in the state. Had there been at the least regionally inclusive growth it growth would be at a higher pace and distribution of gains from growth would have been more egalitarian. Historically the state of Andhra Pradesh has lost this opportunity hence the present crisis even after nearly 60 years of 'united living'.

Why is Telangana agitating once again in the regime of 'globalisation'? Because its local roots are weaker Telangana has to fight for its due share to sustain itself in the global world. Otherwise it gets trampled under the weight of Andhra capitalist cum political class. It remains without its own identity without its control over its own resources

exploited for ever, without its culture, without its roots without self respect. Self respect is not an empty slogan but backed by hundreds of instances of violation, injustice, and humiliation. Telangana is asking for political autonomy, political empowerment to reverse the damage done to reverse the process of discrimination and deprivation on all fronts. Telangana is asking for political power to make economics more logical, more rational; and exploitation into inclusive growth through command over its own resources. It wants political power to make what appears to many as 'colony' a full fledged state where people can live in dignity.

Way forward

Thus it is very much evident from the above exposition that Telangana had been deprived of its due share in its own resources, denied due share in development, humiliated by repeated violations of agreements, judgments of Commissions and Committees, casual treatment of issues pertaining to her, denied due share in political, social cultural spheres. When there is no firm commitment from the powers to be of the united state of Andhra Pradesh then the genuine question flowing very naturally from the people is 'Why should Telangana continue in united state of Andhra Pradesh? Telangana needs separate state to govern itself, to have political empowerment to fulfill peoples' aspirations, and dignity to life. Granting statehood is the only alternative to nullify the historical inequalities, discrimination and deprivation faced by the Telangana region. Political solution is the answer to the problem. This Working Group earnestly requests the esteemed Sri Krishna Committee to make realize Statehood for Telangana.