

Issue Brief

No. 2

TELANGANA

Dealing with the Costs of Division



THE HINDU CENTRE

for

Politics and Public Policy

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In accordance with this mission, The Hindu Centre publishes policy and issue briefs drawing upon the research of its scholars and based on public consultations that are intended to explain and highlight issues and themes that are the subject of public debate. These are intended to aid the public in making informed judgments on issues of public importance.

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TELANGANA
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Costs of Division

*A Dialogue
Towards Reconciliation*



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INTRODUCTION

The Hindu Centre for Politics and Public Policy is pleased to bring you a report on its first ever public consultation on one of the most critical issues on the national agenda in 2013 — the formation of the State of Telangana.

The Hindu Centre, which is an initiative of the publishers of *The Hindu* newspaper, is committed to nation-building and strengthening the political institutions of this country and making democracy meaningful. We intend to contribute to the public's understanding of politics and bridge the increasing gap between the political system and the people. The consultation on Telangana reflects this commitment.

Telangana is a burning issue on the national agenda in 2013; the implications and consequences of Statehood are being fiercely debated and hotly contested. The idea of the consultation was to bring together the different voices, all undoubtedly genuine in their concern, to see if there was common ground between the various positions.

The consultation brought together leading politicians, academics and senior administrators whose insights and rich experience have greatly benefited the nation. Senior administrators who were involved in similar exercises when three States — Jharkhand, Uttaranchal and Chhattisgarh — were formed in 2000, came from all over the country to share their understanding and shape this major exercise.

The three sessions of the consultation were thoughtfully arranged so that the entire gamut of experience, wisdom and practical knowledge could be woven together to produce, at the end of the day, elements of a consensus that could take forward the challenging task of meeting the aspirations of the different parts of the State, including the formation of a separate State of Telangana.

In the first session, political leaders from the different regions of Andhra Pradesh were invited to offer their views of how common ground could be forged between the opposing positions on Statehood. The second session looked deeply at the status of Hyderabad and the complex consequential question of the state capital. Finally, came the session examining the implications and requirements of sharing resources of the State of Andhra Pradesh between the newly formed States.

SUMMARY

On September 21st, 2013, The Hindu Centre for Politics and Public Policy organised a consultation, “Dealing with the Costs of Division: A Dialogue Towards Reconciliation,” to discuss differing viewpoints pertaining to issues thrown up by the proposed bifurcation of Andhra Pradesh and the creation of the new State of Telangana. The consultation was a response to the July 30th, 2013 announcement of the Congress Working Committee (CWC) that a separate State, Telangana, would be formed on the basis of a long-standing demand by the people of Telangana region of Andhra Pradesh for a separate State in order to better fulfil their social, political and economic aspirations.

The dialogue was an attempt to bring to the table different sides of the Telangana Statehood issue, in the wake of large-scale protests that had shaken Andhra Pradesh in the weeks following the CWC announcement. The protests were in response to the prevalent public feeling that the CWC had not gone through a genuine consultative process regarding the demerger of Andhra Pradesh and its implications for the new States formed. Water sharing, the city of Hyderabad, sharing of resources, taxation and revenue, education and employment seemed to be the key issues that the protesting groups from the united Andhra side seemed to be worrying about, while those supporting the creation of Telangana were agitating for a speedy conclusion to the demerger process and the creation of the new State.

In such a fraught situation, it was felt that a dialogue was necessary to bridge the gaps in understanding and create some scope for rapprochement over these issues, which had brought people previously living together and speaking the same language, literally onto the streets, fighting each other.

The consultation was also envisaged as a platform for experts to present their views and recommendations to policy makers regarding key governance issues that have been highlighted in the CWC resolution and subsequent concerns that have been raised by the people of Seemandhra against splitting Andhra Pradesh. Therefore the discussions were divided into the following sessions:

- Session I – Building a Framework for a Consensus
- Session II – Status of Hyderabad and the New Capital
- Session III – Sharing of Resources

A central theme of the discussion through the day was that the State and central governments could have done more to reach out beyond political parties to allay the fears of the people with regard to

the division. Most panellists agreed that when a decision is taken where there is very little common ground, then it is the moral responsibility of the ruling party to reach out to those affected adversely by the decision. It was felt that the need of the hour was to reach out and allay the fears of the people from Seemandhra.

Participants also discussed the historical claims on Hyderabad city and their validity in the present context. There was unanimity on rejecting the idea of Hyderabad as a Union Territory (UT) or as a joint capital. There was also no question of holding a referendum to decide the future status of Hyderabad. The concerns of the people from Andhra and Rayalaseema on matters relating to the law and order, safety and security and fundamental rights of residents of all regions were also discussed and the demographic changes in Hyderabad over the decades were highlighted. Panellists rejected the idea that the capital of the new State should be decided by the central government. Issues pertaining to the sharing of revenues and liabilities of Hyderabad were also deliberated upon.

A fresh perspective emerged from the discussion on the benefits of investing in and building a new capital for Seemandhra as a magnet for investment. Mr. P. Joy Oommen, Former Chief Secretary, Chhattisgarh, and former Chairman of the Naya Raipur Development Authority, shared his experiences of building a new capital for the State of Chhattisgarh, and suggested that a modern capital for Seemandhra could be designed on the lines of Naya Raipur, which was built in seven years.

Other issues that the panellists discussed pertained to irrigation and agriculture, sharing of river waters, taxation, revenue and resources. The participants agreed that until now the political and institutional processes have gone forward along parallel lines and political decisions have been taken with no corresponding institutional initiatives.

Speakers urged the central government to refer the issues related to the sharing of taxes and revenues to the 14th Finance Commission as soon as possible as they felt that this was the only constitutional way forward to deal with the devolution of fiscal resources. Eminent academics and public intellectuals who attended the consultation included Dr. Yogendra Yadav (Senior Fellow, Centre for the Study of Developing Societies), Dr. Asha Sarangi (Associate Professor, School of Political Studies, Jawaharlal Nehru University, New Delhi), Dr. S. Narayan (former Union Finance Secretary and former Chief Economic Advisor to the former Prime Minister, Atal Bihari Vajpayee), Dr. M. Kodandaram, (Chairman, Telangana Joint Action Committee), Mr. C. Anjaneya Reddy (former Director General of Police, Andhra Pradesh), Mr. Aniket Alam (Executive Editor of the Economic and Political Weekly) and Mr. Amitabha Pande (former Secretary, the Inter State Council of the Government of India).

SESSION 1

Building a Framework for a Consensus

The opening session of the consultation was attended by representatives of key political parties which represented a diverse set of viewpoints, both for and against the demerger, and included:

Mr. K. T. Rama Rao, General Secretary, Telangana Rashtra Samithi (TRS)

Mr. Gade Venkat Reddy, senior State Congress leader

Mr. B. V. Raghavulu, State Secretary, Communist Party of India (Marxist) CPI(M)

Mr. K. Narayana, State Secretary, Communist Party of India (CPI)

Dr. Jayaprakash Narayan, President, Lok Satta Party

Mr. Syed Aminul Hasan Jaffri, Member of the Legislative Council,

All India Majlis-e-Ittehadul Muslimeen (AIMIM)

Mr. K. Haribabu, National Executive Member, Bhartiya Janata Party (BJP)

Mr. M.V. Mysura Reddy, Senior leader, Yuvajana Sramika

Rythu Congress Party (YSR Congress)

Mr. M. Gangadhar, Senior Vice-President, Andhra Pradesh Congress Committee

Dr. M. Kodandaram, Chairman, Telangana Joint Action Committee.

Mr. Yogendra Yadav, while chairing the session, urged that as positions of the political parties on the issue were fairly well known, the panellists could focus more on those aspects of the complex problem that could help narrow down the differences between their positions. He urged the leaders present to discuss their views on specific steps forward on constitutional, administrative, and law and order mechanisms for the formation of the new State.

Mr. K. T. Rama Rao (TRS)

Termining the Telangana Movement as one of the greatest democratic expressions the country has witnessed in recent decades, which brought together all sections of the people in that region, K.T. Rama Rao had no doubts that the birth of Telangana was imminent. He said that the movement has “*created a generation of responsible citizenry, politically aware youth, authors, singers and balladeers*”. The struggle for Telangana, he argued, was not only about creating smaller States for better administration, alleviating the problems of backwardness, merely creating a new State, or splitting an existing State. He described the Telangana movement as a genuine people’s movement for a region that has the right to self-expression, self-rule and self-determinism within the legal

confines of the Indian Constitution. He staked a claim to Hyderabad city as the capital of Telangana, saying, *“No investor can claim a city to themselves just because they invested there. Cities belong to the people of the region. Hyderabad belongs to Telangana. It is in the hinterland of Telangana and cannot be separated from Telangana. You have to traverse 200 kilometres from Hyderabad to reach any side of the new Seemandhra State that is being proposed.”* His appeal was directed in particular to the concerns raised by the people of ‘Seemandhra’ (coastal Andhra Pradesh and Rayalaseema) regions, assuring them that all issues of concern could be discussed across the table and resolved amicably. Their investments in Hyderabad would remain safe, he said, reiterating his party’s position that:

- a) There would be no compromise on the CWC resolution that Telangana would be formed as a new State with ten districts, with Hyderabad integral to it;
- b) The idea of making Hyderabad a UT was unacceptable as was the idea of Hyderabad as a permanent joint capital; and
- c) Today, Telangana is an eventuality and prolonging its formation would only increase animosity.

Later, touching upon the other contentious issues, Mr. Ramarao picked the revenue sharing aspect. Providing details, he said that even as the share of Union taxes, non-tax revenues and grants-in-aid would remain undisturbed post-bifurcation, among the state tax revenues, nearly 98 per cent of the collection of Sales Tax, State Excise Tax, Stamps and Registration Duty and tax on vehicles were location-based and would be collected by the respective States.

Mr. Gade Venkat Reddy (Congress)

Mr. Gade Venkat Reddy, a strong integrationist who witnessed both the major agitations for and against Telangana in 1969 and 1972 respectively, stated that he had always opposed bifurcation, as there was no necessity for dividing the State. He said that Andhra Pradesh was the outcome of a political thought that had its roots in the Indian freedom movement and it finally led to the formation of States on a linguistic basis. If the State was divided now, both the new States would suffer, he said, adding that economic backwardness of a region could not be the sole basis for carving out new States and that all-round development was the answer. He raised the issues of irrigation and sharing of the waters of Godavari and Krishna rivers, besides the status of Hyderabad and its industrial expansion. He quoted both the Bachawat tribunal and the first States Reorganisation Commission as having stated that both regions could be developed within one State to benefit the farmers, implement many projects and develop irrigation. Defending his position, Mr. Venkat Reddy said the CWC had, in October 30, 2001, passed a resolution stating

that the only way of solving the demands for separate States in the country was by way of the second States Reorganisation Commission. That resolution, he said, was still in force and had not been annulled so far. The party had deviated from that resolution, he charged. Narrating the turn of events that led to the constitution of the Srikrishna Committee by the central government, he reiterated that option No. 6 in the report submitted by the Committee had advocated that the State remain united and a council be set up for Telangana region with some kind of constitutional powers. *“The CWC’s decision is not acceptable to us and the Congress is vertically divided on this issue in Andhra Pradesh,”* Mr. Venkat Reddy said, adding that agitations had been going on by the people in the Seemandhra regions to avert a division. Recalling the events during the formation of the State of Andhra Pradesh, he said that there were differences even at that time, but the Congress party convened a meeting of leaders from both the regions and arrived at a decision. Such an exercise was not carried out this time around and the CWC took a unilateral decision and announced the creation of Telangana.

Mr. B.V. Raghavulu (CPI-M)

While criticising the central government for not initiating any process for political dialogue between the two sides, Mr. Raghavulu said that only after a political reconciliation was reached, the rest of the contending problems, including the status of Hyderabad and the sharing of river waters, could be discussed. The central government, he said, neither convened any meeting of political parties to push for reconciliation, nor did it announce any time-frame for convening a session of Parliament or the [State] Assembly. He argued that allowing the political process to take its course was the best way forward in a scenario where the political parties were in different ends of the spectrum. *“Enough procrastination has been done for the past four years, enough discussions have been conducted and enough agitations have taken place. Now, the urgent need is to put a full stop to this thing by going before Parliament or Assembly, because nothing short of this can bring about reconciliation in the political process,”* he emphasised.

Mr. Raghavulu said his party’s view was that the division of the present linguistic States would harm the foundations of the Indian Constitution, secularism, democracy and federalism. While a united State was not bereft of problems, a division would by no means ensure that these problems would disappear. The issues pertaining to the status of Hyderabad, sharing of river waters or division of finances were not irreconcilable. *“Even if the political decision of dividing the State is taken, the problem of Hyderabad, river waters and everything else can be solved by agreement or by arbitration,”* he maintained.

Mr. K. Narayana (CPI)

Mr. K. Narayana expressed concern that Andhra Pradesh was facing not just a political crisis, but also an economic and a social crisis. Recollecting the Gentlemen's Agreement that led to the formation of the State and subsequent events, he said that the conditions laid out in the Agreement were not fulfilled, and hence, the separate Telangana issue came up in 1969. Then in 1972, those who fought for integration agitated in favour of a separate Andhra State. In 1985, N.T. Rama Rao, a strong integrationist, came to power and issued GO 69 (pertaining to the drawing of water from Srisailem reservoir for power generation at below 854 minimum draw down level). While the CPI accepted the proposed bifurcation, he felt that the real question now was for both the state and the central governments to address the issues that have cropped up in its wake.

On December 17, 2000, the CPI had come out with the Warangal Declaration which warned the State government that its failures would come back to haunt it in the form of separate Telangana movement. He said that in 2004, a promise was made to the people about a separate Telangana based on which the Congress, the Left parties and the TRS fought the elections together. In 2009, it was the turn of the Telugu Desam Party (TDP) to strike an alliance with the TRS, he added. He maintained that his party opposed the second States Reorganisation Commission since the issue was separately discussed and the Congress, the main ruling party, had morally accepted the formation of Telangana.

Pointing out that almost all political parties had accepted a separate Telangana, Mr. Narayana said that the Congress had twice taken a decision on the formation of the State. He blamed the political parties for "behaving mischievously" and misleading the people on the formation of the new State. In addressing the issues ahead, Mr. Narayana made it clear that the CPI was also not in favour of a UT status for Hyderabad, though it was imperative to find a way out to ensure law and order during the transition period. All these problems should be discussed in the Assembly, while the Union government could appoint a committee of experts to go into the technical issues threadbare. But first, the centre would have to take a decision to divide the State and set up an institutional mechanism involving everybody for the process.

Mr. Jayaprakash Narayan (Lok Satta Party)

The Lok Satta Party leader and MLA, Dr. Jayaprakash Narayan, said the consultation was a courageous initiative in a highly polarised and surcharged atmosphere. Describing politics as the art of reconciliation of conflicting interests, he said that while the political process in the Telangana issue had failed, the quest for short-term political gains by parties who played an extremely dangerous game over the years had led to the present crisis. A solution or a

set of solutions within the federal system and constitutional framework, he said, was possible if institutional mechanisms were put in place to address all concerns and protect legitimate interests. Dwelling upon the title of the consultation, 'Dealing with the costs of division', he said the focus should now be on minimising costs and maximising gains through a very serious analysis of costs and benefits of each of the options on the table.

The basic approach in such situations was that if a decision was taken in favour of one section of society, it was imperative that the central government addresses the concerns of those whose views did not prevail (in this case, Seemandhra). Once the basic issue at hand was decided, nothing should be allowed to become a deal breaker, he emphasised. While contending that a debate about a particular structure or formula in the public domain was "*absolutely dangerous*", he said the way forward should be to list out the legitimate concerns of each segment and see which particular formula addressed most of the concerns. "*Ultimately, you have to take a judgment call as to which addresses most of the concerns, and therefore, some amount of compromise is going to be necessary,*" he added.

Dr. Narayan flagged five issues in this context, including the status of Hyderabad, ensuring educational opportunities for the youth and tackling the backwardness of the Rayalaseema region. Hyderabad, he said, cannot be ignored because 40 per cent of the Gross State Domestic Product (GSDP) of Andhra Pradesh, amounting to about Rs 3,00,000 crore, came from the city and its peripheries. He criticised policy makers in Delhi for concentrating all developmental activities in Hyderabad and lacking the wisdom of spreading it to the other regions of the State. The challenge, he said, would be to balance the economic security and revenue surplus of Hyderabad and the deficit of both the regions.

There were legitimate political stakes as well, apart from economic stakes, since at least 40 per cent of the population of Hyderabad was from other regions and at least 20-25 per cent of the population in Telangana were from different regions of Andhra Pradesh. He also warned that Rayalaseema, the most backward of all the regions in the State with 14 million people, no coastline, no rainfall and no industrialisation, felt genuinely orphaned. If that issue was not addressed, there would be a similar strife in the years to come. He called for efforts to remove all possible barriers in trade and commerce between the States that are to be formed and put in place a decentralised form of governance that would address the issue of equitable development.

Mr. K. Haribabu (BJP)

Mr. K. Haribabu, National Executive Member of the BJP, said that the central government had failed to take cognizance of the disturbances going on in the State after the announcement by the CWC and called upon the central government to clear the apprehensions of the people from other regions. He said that it was incumbent on the government to start a dialogue with the

people who are against the creation of Telangana and address their issues so that the division of the State could be easier. He criticised the Congress party at the centre for treating the issue as its own party issue and urged the Government of India to open talks with the agitating people opposed to the division, particularly the NGOs and employees' organisations.

Mr. Haribabu said their worst fear was the repeal of the zonal system in the event of Telangana formation which would allow any government employee to be transferred to any place in the State. Citing the example of the formation of Chhattisgarh, Jharkhand and Uttaranchal in 2000 to 2002, he said that despite opposition from the then Chief Minister of Bihar, Mr. Lalu Prasad Yadav, the centre convinced him and got the resolution passed in the Bihar Assembly. Such efforts were not being taken in the case of Andhra Pradesh. Elaborating on the concern raised by the pro-integration agitators over the possible drying up of employment opportunities in Hyderabad in case of a demerger, he argued that when Clause 14 (f) of the Presidential Order of 1975 is removed and the GO 69 implemented sincerely, there would not be any employment opportunity in united Andhra Pradesh either. Such apprehensions could be resolved only if the government first talks to the people, he said.

Mr. M.V. Mysura Reddy (YSR Congress)

Mr. M.V. Mysura Reddy said the proposed division was a highly contentious issue and added that the sharing of Krishna river water in particular, post-division, would be the most problematic issue. Giving details, he said that there are at least six projects — three each in Telangana region and Andhra and Rayalaseema region — being constructed based on the surplus water of Krishna river, a concept unheard of anywhere in the country. As much as Rs. 40,000 crores of public money had been spent and about 80 per cent of the work had been completed. If Andhra Pradesh is bifurcated, these projects would become inter-State projects and a regulatory board would have to be set up to release water allocated by the tribunal. "This problem is peculiar to Andhra Pradesh," he said, adding that the problem cannot be solved by dividing the State. The only solution, he felt, was to keep Andhra Pradesh united.

Mr. Syed Aminul Hasan Jaffri (AIMIM)

Mr. Syed Aminul Hasan Jaffri, an MLC representing the largely Hyderabad-based Muslim party, AIMIM, said the party was for keeping the State united and suggested that statutory safeguards should be provided to Telangana. If the State was to be bifurcated on grounds of backwardness and injustice, he said his party had suggested that Rayalaseema and Telangana, both equally backward, should be brought together and formed into a Rayala-Telangana State with Hyderabad as the capital. He said that his party had made it clear before the Srikrishna Committee as well as in all-party meetings conducted by the Union Home Ministry that if a political decision was taken

to form Telangana, Hyderabad should be an integral part of Telangana State and that the status of a UT would be unacceptable to the people of Telangana.

The ongoing fracas over the status of Hyderabad was fuelled by the ambiguity in the CWC resolution, which stated that Hyderabad would be the common capital but had no reference to the 10 districts constituting Telangana, Mr. Jaffri said. The resolution had added that administrative and legal measures would be evolved to ensure that both the State governments functioned efficiently from Hyderabad, which gave ample scope for kicking up a ruckus over Hyderabad and it was now being used to stall the formation of Telangana, he added. Referring to demands from some quarters to convert Hyderabad to a UT, either on the lines of Chandigarh, Delhi, or Puducherry, or the fourth option of making it the second national capital, Mr. Jaffri declared that all four were not acceptable to the AIMIM. He, however, suggested certain safeguards for the Seemandhra people settled in Hyderabad. Settlers from Seemandhra make up about 20 per cent of the population of the entire Telangana region and about 35 per cent of the population of Hyderabad and Ranga Reddy districts, thus providing them with considerable demographic strength, he said. Converting the population size to vote bank, he said at least 50 lakh voters from Seemandhra were settled in Telangana region, conjuring up sizable numbers in at least 50 assembly segments out of 119 in Telangana region. They were also present in considerable strength in at least 12 parliamentary constituencies out of 17 in Telangana. The Seemandhra people, he suggested, could convert this demographic strength of theirs to economic and political strength within the Telangana State after its formation.

Mr. M. Gangadhar (Congress)

The Andhra Pradesh Congress Committee senior Vice-President, Mr. M. Gangadhar, despite being a supporter of a united Andhra Pradesh personally, defended his party's official line stating that the decision on Telangana was taken only after soliciting the opinions of all the political parties. He said most of the political parties, barring the CPI(M), gave their approval in writing to the central government, contrary to the views expressed by them that they were not consulted and that the decision to bifurcate Andhra Pradesh had been made without proper consultations. Mr. Gangadhar, however, expressed concern that there was no platform available where people from Seemandhra could express their apprehensions. The continuing agitation following the announcement of the decision had affected every aspect of public life, including civic amenities, education, revenue, electricity supply and other essential services, in the Andhra region. Critical issues such as the status of Hyderabad, employment opportunities, academic alternatives,

health and infrastructure required to be addressed. He expressed confidence that the Congress leadership would be able to find an amicable and mutually agreeable solution to all these issues.

Prof. M. Kodandaram (Telangana Joint Action Committee)

Prof. Kodandaram, who rounded up the political session, pointed out how the movement for a separate State of Telangana was very old and has a very long history. The merger of Telangana, he said, predicated upon the fulfilment of the conditions laid out in the Gentlemen's Agreement, the failure of which led to the rise of the demand for a separate State. The agitation in 1969, which was built on some kind of hatred towards the people of Andhra region, had undergone a transformation. Terming the present phase of the movement as a struggle for democracy, equity and inclusiveness, he pointed out that *“a rights-based development perspective inspires this on-going movement.”* The present phase, which is almost 19 years old, began as a campaign against injustice and turned into a political movement in 2004, he said. Subsequently, the Centre appointed a few committees and also conducted several all-party meetings in which most of the political parties had agreed upon the division of the State, he argued. Attempts to discuss the issue in the Andhra Pradesh Assembly, however, were scuttled, he said.

Touching upon the burning issue centred on the status of Hyderabad, Prof. Kodandaram said that during the tenures of [former Chief Ministers] Chandrababu Naidu and Rajasekhara Reddy, the information technology (IT) sector developed in and around the city and the real estate business prospered. He said it was time to shift focus and concentrate on developing other regions. Besides, other contentious issues such as sharing of river waters between the two regions become inevitable after the division, which was not possible under the current political set up. Asserting that the Indian Constitution provides a framework for resolving various issues cropping up during bifurcation of States, Prof. Kodandaram regretted that the constitutional process had not yet begun. Only after the Union Cabinet passes a resolution and the constitutional process begins to unfold will there be a mechanism to deliberate on all the issues involved, to ensure a peaceful resolution of the issues.

As the chairperson, Dr. Yogendra Yadav, threw open the floor for questions, Mr. J. A. Chowdary, former director, Software Technology Parks of India, Hyderabad, wanted to know if a referendum on Hyderabad was a viable option and Mr. K. S. Gopal, Scholar in Residence, Tata Institute of Social Sciences, Mumbai, asked if it was the problem of costs of division that the political parties were worried about, and hence, not willing to compromise.

Answering Mr. Chowdary, Mr. Jaffri recalled the formation of the State of Gujarat and said that there was no referendum held and no special concessions offered to people living in erstwhile Bombay. Also, there was no revenue sharing between erstwhile Bombay State and the newly created State of Gujarat, and the Mumbai police was kept under the control of the Maharashtra State. In case of Hyderabad, the various issues were being highlighted to make Hyderabad a bone of contention.

Dr. Yogendra Yadav, however, pointed out that there is a precedent of a referendum held in the case of Goa. **Dr. Jayaprakash Narayan** argued that a referendum was a dangerous method in a highly polarised and divided society and it could well give rise to demands of referendum for Jammu and Kashmir and other parts of the country. He felt that it was better to leave such contentious issues to the wisdom of the legislatures and the political reconciliation process. **Mr. K. T. Ramarao** said that there was no provision for a referendum in the Constitution of India. Stating that India was a representative democracy, he emphasised that the political class who represent the people of Hyderabad were clearly stating their positions and that there was no need for any other process to take shape.

Responding to **Mr. Gopal's** question, **Mr. Raghavulu** said whether the choice is division or integration, there are costs involved. While there is no scientific principle to decide on the compromises, it is pertinent that if the decision is to divide the State, the costs will have to be borne by those demanding division to appease the integrationists. On the other hand, if the decision is to keep the State united, it will have to be the other way round.

Summing up the session, **Dr. Yogendra Yadav** said that the dialogue could be seen as a beginning towards reconciliation. He said there was a need for a listening post where grievances could be put forth, if need be in-camera, in a forum across parties where these issues could be discussed. Though the status of Hyderabad appeared to be a very difficult issue, nobody supported a UT solution and nobody wanted a referendum either, he emphasised, adding that there must be safeguards for Seemandhra people as well as employment guarantees. *“Dialogues of this kind help establish a framework for consensus, wherein we can work for a range of solutions,”* he concluded.

SESSION 2

Status of Hyderabad and the New Capital

The initial emphasis of the agitation for a separate State was on two issues: the renegeing on all previous agreements and regional under-development. However, parts of north coastal Andhra and Rayalaseema also suffer from underdevelopment. Now, in the latest phase of the Telangana agitation, other issues have surfaced including those of language and culture, and the livelihoods of thousands of educated youth. The status of the capital city of Hyderabad, more than the division *per se*, seems to have become the bone of contention on both sides. Concerns about people's safety and security have now come to hinge on the future of Hyderabad, and whether a separate Telangana State would mean greater uncertainties for people from Seemandhra, who have made Hyderabad their home for two or three generations now.

The long-term security implication in the wake of Naxal/Maoists activities is another aspect of the security issue. Some legal experts have also raised the question of the UPA government not consulting the Tribal Advisory Council in the State, constituted under the Fifth Schedule of the Constitution for Scheduled Areas, before taking a decision on the bifurcation of Andhra Pradesh.

The rapid growth of Hyderabad as a major urban city in the post-reform period, aided by investor-friendly policies by successive governments, largely the TDP, has resulted in most investments being concentrated in Hyderabad. There has been huge land and speculative real estate development in Hyderabad and concentration of Special Economic Zones (SEZ's) in that area. One official figure given is that of the 143 SEZs approved for Andhra Pradesh by the Government of India after the SEZ Act was passed in 2005, as many as 42 SEZs are for locations in and around Hyderabad, including districts of Ranga Reddy, Mahaboobnagar, Nalagonda and Medak.

The formation of Greater Hyderabad Municipal Corporation in 2007, and the constitution of the Hyderabad Metropolitan Development Authority (HMDA) in 2008, has extended its area [HMDA is almost twice the size of Goa and much larger than Delhi, according to the Srikrishna Committee report]. The location of strategic PSUs, including Defence and National research institutions, and the emergence of the new IT and ITES economy, have all contributed to Hyderabad emerging as a "*major economic engine*" of the region.

Given all these factors, "*it is imperative to ensure that there is no destabilisation of the economy of Hyderabad, flight of capital or erosion of business confidence and all stakeholders continue to have safe access to the city,*" sums up the Srikrishna Committee report, on Hyderabad's centrality.

Dr. Asha Sarangi, Associate Professor, School of Political Studies, Jawaharlal Nehru University (JNU), New Delhi, chaired the session on Hyderabad, saying that the contestation over a city such as Hyderabad was bound to happen, as historically, every time there has been a demand for a State, going back to the first exercise in the 1950s, there has been contestation regarding great cities such as Bombay or Madras or other cities that subsequently became capital cities of other states which emerged since then. There are historical valid reasons, political compulsions, administrative, institutional reasons and state mechanisms that are inter-related when discussing a capital city, she said.

Placing the discussion within the context of independent India, when 554 princely States and several provinces were integrated by bringing them under a common umbrella of 14 States and 6 union territories, Dr. Sarangi said that this process provided a thematic political foundation for the democratic states in this country. While the unionisation process anywhere in any part of the world is arduous, painstaking and unpleasant at times, having to take into account the voices of so many different communities, castes, regions and identities, India, had to face it soon after independence; Prime Minister Jawaharlal Nehru even made the statement, that ‘where merger is not desirable, let divorce take place’, in the context of Telangana and Hyderabad, which has been quoted a number of times.

Prof. Rama Melkote, a retired Professor of Political Science from Osmania University, Hyderabad, said that the Telangana movement was truly a people’s movement and that Telangana was unthinkable without Hyderabad as its capital, as borne out by the literature, the writings, whether economic, political or social, all the pamphlets, booklets and arguments about this issue. She said that the people from Seemandhra have been claiming Hyderabad because of the kind of investments and economic power concentrated here, she said, alluding to how several new Panchayats were being added to the city limits. Uneven development in health and education was bound to take place if Hyderabad was separated from Telangana; even in Telangana, these facilities were not available outside of Hyderabad, thanks to the concentration of political power, through the land mafia, and the centralisation of development in Hyderabad city, the illegal occupation of land, and disenfranchisement of the people, which are well documented.

Rejecting the idea of Hyderabad as a Union Territory, Prof. Melkote said that the anxieties of students and other settlers, about their safety could all be addressed. *“No one can be asked to leave a city; this is an unnecessary scare being created; we have laws and a democratic Constitution which will take care of all these issues,”* she said.

On the issue of employment, Prof. Melkote said there were government service rules and regulations and there need be no fear regarding loss of employment, but there is documentation regarding the paucity of senior executives and officers and policemen from Telangana region

and few from Seemandhara region. It was also crucial to reflect on the much larger issue of the paradigm of development that we have today, where there was a concentration of wealth and power in one city, she added.

Prof. M. Sridhar, from the NALSAR University of Law, Hyderabad, traced the growth and expansion of Hyderabad region over the past 50 years – from being 172 sq. km., Hyderabad is now 6,852 sq. km., with 849 villages, 54 Mandals and five districts – and made the point that while Article 3 of the Indian Constitution empowered the centre to create new States, the capital city has to be decided by the State concerned, and there was no question that creating a capital outside its State area would be a denial of constitutional rights. *“We are still not able to solve the problem of Chandigarh – the joint capital of Punjab and Haryana– which amounted to denial of the capital of both the States,”* he said.

Rejecting the idea of Hyderabad as a UT, on the lines of Chandigarh, Dr. Sridhar said that the Chandigarh model had failed, with its complete bureaucratisation and lack of people’s participation in governance. Giving UT status to Hyderabad would be tantamount to denying Telangana and Seemandhra a capital city. He said that no State has a capital outside the territory of its boundaries, and Hyderabad as a joint capital city for 10 years would be a denial of constitutional rights of citizens from Seemandhara region, being more than 200 km away from its boundaries.

Dr. Sridhar added that a capital city need not necessarily be an industrialised, commercially viable city, and a distinction needs to be made between commerce and capital. Development in Hyderabad was focussed on real estate, with the entire development process oriented towards the development of huge tracts of land, concentrated within the hands of a few enterprising communities within Hyderabad. Ownership of land was not a valid reason for staking a claim to Hyderabad as a State capital. Investment should not be allowed to decide the status of the capital of a State, he said.

Pointing out that the mere conferment of UT status to Hyderabad would not solve its security issues, Prof. Sridhar contended that the Delhi NCR model for Hyderabad would not suit as it would then mean that the subjects of public law and order, police, land and land revenue would be transferred to the central government.

Mr. P. Joy Oommen, former Chief Secretary of Chhattisgarh and presently Chairman and MD, Kerala Financial Corporation, taking a radically different perspective, saw the emergence of the two new States, Telangana and Andhra Pradesh, as a positive step for the development of both States. The concerns of the people of Seemandhra were understandable, but could also be seen as an opportunity, he said. Dispelling fears of displacement among Seemandhra people, who have

made both financial and emotional investments in Hyderabad, that they will be treated as second class citizens, Mr. Oommen said that Hyderabad was a part of India and there are constitutional safeguards that guarantee people's safety. Citing the example of the formation of the Telugu-majority Andhra Pradesh State, he said that a majority of Telugu speaking people stayed on in Madras and continue to live happily there and in other parts of Tamil Nadu.

Stating that the division of the State was not the end of the road for Seemandhra, and that it opened the door for new opportunities, to rebuild itself with a new determination and vision, Mr. Oommen said that it would enable the new State to plan for more balanced, inclusive growth for all its regions and districts. Sharing his experiences of building a new capital for the State of Chhattisgarh, Mr. Oommen spoke about the benefits of investing in and building a new capital for Seemandhra as a magnet for investment, on the lines of Naya Raipur, which was built in seven years. This would enable Telangana to plan for balanced growth, while for Seemandhra it would be an opportunity to design and build a new capital: modern and futuristic on the one hand and inclusive and eco-friendly on the other, with the opportunity to re-engineer the working of all government departments, to make the system more transparent, responsible and agile, to reduce transaction cost, and to benefit from IT and governance on a grand scale, to wind up loss-making or inefficient corporations and other boards or other government bodies and deploy the human resources in government more effectively.

Mr. Oommen emphasised the need for a consensus on the location of the new capital, with care taken to ensure accessibility from all regions of the State by roads, and rail and proximity to an existing airport. While a new location could be in an existing city, or a town, the new town area should be planned for core functions of the capital city and it was not advisable to burden an existing city with the demands of a capital city; instead, just like Naya Raipur was planned at a distance of about 22 km from Raipur, instead of acquiring large areas, it would be possible to have a mix of acquired land and pooled land under a land-pooling system to minimise cost and reduce resistance to large-scale land acquisition.

The people of Naya Raipur benefited by not selling the land to middlemen, but by direct negotiation with the government authorities, he said. Naya Raipur has been developed on the public-private partnership (PPP) model, with green buildings, efficient transport, maximum use of solar power, underground cabling and the like, explained Mr. Oommen, to indicate how a new model was already available for Seemandhra to build a new capital with even more improved features. Minimal pollution, good water sources and a minimal diversion of protected lands would also bring down the costs of building a new city. Most of the new developments, other than the State secretariat and government offices could come up on a PPP model and new developments could be funded by using land as a resource. Instead of acquiring land, negotiated purchase of land was possible, making the land-owners long-term partners in the growth of the city.

Elaborating on the conception and construction of Naya Raipur, Mr. Oommen said there was no land acquisition on a large scale, but for some 200 acres, mostly for building the road to Naya Raipur, and except for one village, all the other village habitations have remained as such. Apart from the best price paid to farmers whose lands were bought, the State government also took a decision to pay a fixed amount of Rs.10,000 per acre for the next 20 years, he said, adding that the space for government facilities was limited to 300 acres, and housing was accorded the second most important priority.

It would be an opportunity for the people of Seemandhra to build a new city which can become a model with green buildings, efficient public transport, and maybe a Bus Rapid Transit System, which is probably the most effective way of managing transport in any city. Use of solar power, underground cabling, water recycling, model solid waste management, were all possible in a new city. The new town could thus become a model for other towns and cities of Andhra Pradesh and maybe for the rest of India, he said.

Mr. Burgula Narsing Rao, a freedom fighter and historian hailing from a distinguished political family, traced the history of Hyderabad, and said that the debate about Hyderabad was utterly unrealistic; he rejected the idea of providing UT status to the city, saying that the idea was devoid of any historical understanding of the city, its status in history and its conditions. For the people of Telangana, *“it has been a struggle for regaining our identity; it is a question of memory, history, culture, society, not just economics,”* he asserted. *“Assuming bifurcation is a reality, the centre should give Rs.25,000 crores to Rs.30,000 crores to build a new capital for Seemandhra,”* he said.

Hyderabad, which was the capital of the erstwhile State by that name, naturally became the capital after then Andhra State was merged with it, Mr. Rao said, adding that Andhra didn't have a city when it was first carved out of the erstwhile Madras State in 1953. The issue was born out of a 'historical grievance,' he said. Madras was then the common capital of three linguistic groups, Tamil, Telugu, Malayalam, besides others, and there was no proper agreement then among the leaders on where to locate the capital of Andhra State, before Kurnool was eventually chosen, and then later given up in favour of Hyderabad. Essentially, a city or a State can survive only if there is some emotional integration among the people who inhabit that area, observed Mr. Rao. The last 60 years had seen no strengthening of any emotional integration, said Mr. Rao, recalling that the Telangana Movement had its roots in the Mulki Movement of September 1952. Asserting that he was proud of the pluralistic, multi-lingual milieu and heritage of Telangana, he said that the struggle was essentially one of regaining that identity.

Mr. N. Venugopala Rao, Editor, *Veekshanam*, a Telugu monthly journal of political economy and society, went into the heart of the matter by declaring that the proposed bifurcation of Andhra Pradesh was not a division but a demerger of Telangana, which was earlier merged with the then

Andhra State under certain conditions to form Andhra Pradesh in November 1956. Refuting the political argument that sought to lay claim to a capital city on the grounds that a certain section of the people had built up its trade and industry, Mr. Rao said it was not true in the case of Hyderabad. But Hyderabad had been following a wrong model of development post-1956, which is what has made it a bone of contention now, he pointed out.

Even the Fazal Ali Commission had said that *“Telangana was synonymous with Hyderabad,”* he said, adding, the former wanted the Telugu-speaking districts of Telangana to be called Hyderabad. Therefore, the question of Hyderabad being a joint capital or a common capital was untenable, he asserted. Elaborating some of these aspects, Mr. Rao said that not only were all public sector undertakings that came to Andhra Pradesh set up in Hyderabad, but also many national and regional institutes of higher learning institutes too, which were given thousands of acres of land, with the result that all development activity had become centralised in Hyderabad.

Mr. J. A. Chowdary, former Director of the Software Technology Park of India (STPI), Hyderabad, and representing the IT industry, said that despite all the disturbances in recent years, Hyderabad region has still notched a 26 per cent growth rate. Hyderabad will continue to grow, he said, though the apprehensions among the youth about unemployment had to be dispelled by the political parties. Urging the central government to take a quick decision without procrastinating any further, he said, *“We in business want to take care of our shareholders.”* Some of the multinational companies in Hyderabad, planning expansions, were already looking towards other cities such as Bangalore, and unless the centre took an immediate decision and moved forward, “brand Hyderabad,” would take a severe beating, he warned.

Mr. Chowdary also urged the government to take note that the Seemandhra areas needed a huge incentive package including State and central tax concessions for development of industries there. Citing the predicament of his native district, Anantapur, he asked why Hyderabad alone should be further developed as an IT hub. Anantapur has no water, no power, and no industry. There are no tax incentives for industrialists to go there and set up factories, but if the government came out with a comprehensive incentive package for drought-prone Anantapur area, *“then automatically, wealth and job creation will begin to happen,”* reasoned Mr. Chowdary.

Mr. Adusumilli Jayaprakash, a veteran former Congress MLA from coastal Andhra and now with the YSR Congress and who was the sole political representative in the second session, said he strongly believed that this State would not be divided and it should not be divided.

Mr. Chanda Lingiah, from the tribal belt of north coastal Andhra Pradesh, also sought to know the fate of one crore tribal people living in the Scheduled areas as earmarked under the Fifth Schedule of the Constitution, in the event of a bifurcation.

Articulating the sense that emerged from the discussion, **Dr. Asha Sarangi** said that it was difficult to arrive at a consensus on the issue of Hyderabad, notwithstanding the fact that an underlying desire to arrive at a democratic consensus was discernible. Stressing that it was important to preserve the diversity, language and culture of a people who have made the city, Dr. Sarangi said that there has to be a well worked-out formula either way. Certain predominant factors including geographical contiguity and a fair measure of linguistic homogeneity, economic viability and political unity have to be kept in mind, she suggested. *“Hyderabad has actually a historical tradition of a different kind; the questions of in-migration, out-migration, of employment opportunities will all have to be looked into,”* argued Dr. Sarangi, adding that simple, administrative restructuring of boundaries would not do.

There are varying reasons, historical, cultural, political, economic, institutional and administrative, which could go in favour of retaining Hyderabad as a joint capital, or which could go in favour of creating a new capital, but what seemed to be important was to actually retain the diversity of the place, its culture, communities, languages, and the people who have made the city their home, she said.

To a question from **Mr. Haribabu** of the BJP from Seemandhra on details about constructing the new capital for Chhattisgarh including the fund allocation and land allocated, **Mr. Joy Oommen** said that in Naya Raipur there was hardly any land acquisition *per se*, except for 200 acres of land which was for laying the roads to Naya Raipur. Land was bought directly from the farmers through negotiations, and in all, the area required covered about 20,000 acres, and by adopting a land pooling system, none of the villagers were displaced, said Mr. Oommen. Moreover, farmers were paid the best possible price that they had asked for at the time, he added.

Nearly 5,000 acres of government land, including some forest area and some water bodies, all became part of the new development, and except for the marginal shifting of one village, all village habitations remained intact. Subsequently, as people realised that land prices around Naya Raipur area were going up, farmers demanded more compensation, which the government paid, and finally, the State government took a further decision that the farmers and others who gave their land would continue to get a fixed amount of Rs.10,000 per acre for the next 20 years as a transitional arrangement, Mr. Oommen explained. This gesture took away any sense of loss the farmers might have felt of having sold their lands at cheap price, he added.

On the funding pattern for the new city, Mr. Oommen said that as the head of the Naya Raipur Development Authority, his only request to the Chief Minister was for an advance of Rs.500 crores, to negotiate and buy land from the farmers. *“I bought some land, then pledged it to Housing and Urban Development Corporation (HUDCO), took a large loan and continued it; and then I started selling land and making money (to fund the project),”* said Mr. Oommen, on the

methodology that he adopted to raise the money. Later, of course, the Government of India and the Finance Commission, happy at the progress they were making, made available another Rs.550 crores, for greening the city, Mr. Oommen said. *“We have used that money fully and I think Naya Raipur is coming up as one of the greenest cities in India,”* he said. From day one, it took seven years to build the new city and *“there have been no allegations of corruption in this entire development,”* Mr. Oommen added.

One of the members of the audience asked whether it would be acceptable to consider using the presently unused infrastructure facilities built by Sathya Sai Baba (in Puttaparthi in Anantapur district) to house the Legislature of Seemandhra, and just keep the government in Hyderabad during the ten year period when it would be a joint capital.

Mr. Burgula Narsing Rao urged that Hyderabad as a joint capital would be feasible for five years, and said that the entire bureaucratic apparatus was available in every district in Andhra and Telangana, and what the capital needed now was just the three wings of the government—a Legislature, the High Court and the Secretariat, and it should not take much time to build them. He urged the centre to give Rs.25,000 crores to Rs.30,000 crores to build the new capital of Seemandhra. Until the location for the new capital was agreed upon, the governments of both States could function from Hyderabad, he said.

Mr. Amitabha Pandey, flagging the issue of mega-city governance, said that city-governments everywhere in the world were distinct entities of their own, which have nothing to do with the respective province or State they may be located in. Hyderabad as a mega-city, required its own distinctive government, even if it were located in Telangana, he said, adding that India still did not have such independent city-governments.

Elaborating on some of his contentions made earlier, at the request of a questioner, **Mr. Venugopala Rao** said there were two issues on the way forward. One, Hyderabad has to be the capital of Telangana and this was non-negotiable. Second, in building a new capital for the residuary State of Andhra Pradesh, the central government should be asked to allocate sufficient funds. He said that the availability of surplus land in Hyderabad, including lakhs of acres of Waqf land, was one of the factors for pursuing a wrong model of development in the last 60 years, resulting in concentration of much of the economic activities in Hyderabad. Some of the public sector undertakings could be transferred to the residuary State, while Seemandhra should also ask for branches of central government and other institutes of higher learning to be set up in there. Voicing apprehensions about the implications of a joint capital or according UT status to Hyderabad, Mr. Rao made no bones of the fact it could lead to further complications. *“Actually, a joint capital is a euphemism for Union Territory,”* he said and pointed to Chandigarh’s case where even after 60 years the issues have not been resolved.

However, **Mr. Joy Oommen** intervened to say that it would only be a transitional arrangement. Just because the capital of Seemandhra would be located for a few years in Hyderabad until it got its new capital, Mr. Oomen said he did not envisage any law and order issue. *“There need be no apprehension about another government operating from the same city... everybody knows it is a transitional arrangement,”* Mr. Oommen explained. Even in the case of Chandigarh, Mr. Oommen said that Punjab has already planned for its new capital, adding, they are planning a new city near Mohali.

Mr. Burgula Narsing Rao intervened to add that the sooner the question of Hyderabad’s status was resolved, the better, as it was giving rise to needless emotional outbursts and agitations. *“We have enough room and space in our Constitution, in our political system, to resolve these matters,”* he said, adding that the central government should come out with some positive scheme to address the issue.

Concluding the session, **Chairperson Asha Sarangi** observed that it was clear that the wishes and sentiments of the people should be kept at the heart of the decisions which would be made in the coming months. Underscoring that the question of the capital city would be debated for some time, Dr. Sarangi said that once a particular city has been made a capital, with corresponding massive institutional infrastructure, it would not be so easy to shift the capital to another location. Dr. Sarangi concluded by saying that through the day’s debate it was clear that the State, Telangana, and the city, Hyderabad, were integrally linked to each other, and that a new imagination was necessary to take the issues forward.

SESSION 3

Sharing of Resources

A basket of concerns, each one of which need to be addressed by technical and institutional experts in the event of a bifurcation of Andhra Pradesh, rolled out with a certain depth and candour in the final session on sharing of resources.

The main grievance is that though Telangana contributes the most to the catchment areas of the Krishna and Godavari rivers, actual water allocation to Telangana is much less. Will allocations already determined for the State (A.P.) as a whole by the Krishna Waters Dispute Tribunal (KWDT) and Godavari Waters Dispute Tribunal (GDWD) need to be revisited? How practical will it be, as Telangana being upland faces topographical limitations, and has concerns about increased tube-well irrigation?

On the other hand coastal Andhra's apprehensions are that with the Krishna and Godavari deltas having become the "*rice granary of India*", they need to be preserved in the national interest, as pointed out by the Justice Srikrishna Committee. The Committee's recommendation to set up a Technical Water Management Board to ensure equitable distribution in both basins and the need to take up the Polavaram Project (to transfer 80 tmcft of Godavari waters to Krishna Basin) in right earnest, are two other key issues.

Hyderabad area alone accounted for almost 75 per cent of total Sales Tax (ST) or Value Added Tax (VAT) collections in the State (in the year 2008-09) due to the concentration of major business houses there. Coastal Andhra accounts for a good amount of ST collections (15 per cent), as indicated in the Srikrishna Committee report. Sales Tax collections in the Telangana region (excluding Hyderabad) is about 8 per cent and about 3 per cent of the State's ST revenues come from the Rayalaseema area, says the report. These figures in the Srikrishna Committee Report have also recently come under critical scrutiny in some recent reports in the media. In the event of a separate Telangana State being created, how, and to what extent will Andhra Pradesh need a special financial package that could include the building of a new capital?

Telangana has an edge in thermal power generating capacity as the Singareni coal mines are situated in its region and also has a higher generating capacity in hydel energy. But the total installed generation capacity in Telangana is less compared to coastal Andhra. As of now, the AP transmission grid takes care of Telangana's requirements too. Will this *status quo* be ensured?

Other issues include utilisation of natural gas in the Krishna-Godavari basin, where coastal Andhra has an edge logistically due to ports and related infrastructure. With regard to mineral

resources, a large chunk of them including coal, limestone, manganese, granite, feldspar and mica are said to be in the ten districts that may comprise the new Telangana State.

In his opening remarks, the session's Chairperson, **Dr. S. Narayan**, former Union Finance Secretary and Chief Economic Advisor to the former Prime Minister, Mr. A.B. Vajpayee, said that in discussing complex issues such as this, *"there has to be a marriage between political and institutional processes"*. But it is not happening now in the country in the context of the Telangana conundrum.

Dr. Narayan, who had handled key departments in the Finance Ministry in the run-up to the carving out of three new States, Uttarakhand, Jharkhand and Chhattisgarh in the year 2000, pointed out that following the political decision to create the three smaller States (under the NDA government), *"parallel actions were taken for resource allocation"*. So much so, that several issues in the apportioning of the parent State's assets were quickly resolved.

For example, the issue of project-based allocation of assets in electricity generation between Madhya Pradesh and Chhattisgarh was settled in two weeks, said Mr. Narayan. However, when it came to dividing the liabilities in electricity sector between Madhya Pradesh and Chhattisgarh, somehow at that time the decision was taken to distribute liabilities on the basis of population rather than on actual earning capacity, recalled Dr. Narayan. It meant that Madhya Pradesh got saddled with much greater proportion of liabilities on the electricity front, compared to its resource generating capacity. So, this one decision set back the balance sheet of the Electricity Board for a number of years. But it was not as though such issues were irresolvable, he said, pointing out that there are mechanisms to deal with allocation of resources that has been done even between sovereign states like India and Pakistan.

The division of resources even after partition of the Indian subcontinent was undertaken by two people, H. M. Patel on the Indian side and Gulam Mohammed on Pakistan's side, noted Dr. Narayan. In about eight to 10 weeks, everything, including chairs and tables, were divided and allocated, he said, adding that people may remember that Mahatma Gandhi had promised to Mr. Jinnah Rs. 26 crores for *"starting up your country [Pakistan]"*. Sardar Patel and Jawaharlal Nehru, despite apprehensions about where the money would come from, got together Rs. 26 crores and passed it on to Pakistan at that time, recalled Dr. Narayan to drive home the fact that even sovereign states have resolved such issues amicably.

Mr. Amitabha Pande, former Secretary of the Inter-State Council of the Government of India, flagging larger concerns, termed federalism in India as a means of deepening democracy and attributed the country's political and cultural unity to its shared celebration of diversity. The demand for Telangana in that setting was a legitimate expression of diversity, he said.

However, the energies that sustained the Telangana movement for so long could well dissipate if the same style of governance remained, he added. Drawing from his rich experience of how Centre-State relations actually work in India, Mr. Pande cautioned against what may be termed a “very inadequate understanding of the Indian state”. He regretted that the practise of federalism in India has been reduced to a ‘means of perpetuating the big state.’

The idea was to buy peace by giving in to demands for Statehood, and then “*reproduce systems, institutions and processes which perpetuate the rent-seeking state,*” Mr. Pande said. After independence, the state apparatus has over-developed to the point of becoming a class by itself, and besides politicians and the bureaucracy, “*a vast group of contractors, traders, fixers, touts, mafia groups, activists and business empires are built around state monopoly,*” deriving their businesses from the state. Often, the “*sub-text of greed, venality, hard-nosed horse trading and rapacious rent-seeking by those in government takes over,*” he said. It happened in the new State, Uttarakhand, which “*has been captured by various mafias,*” undermining its very strong traditions of various forms of local self-governance.

Therefore, Mr. Pande argued that the issue of sharing of resources is not to be seen just as division of property, but that it should be related to the very sustenance of communities and the development of their livelihoods. He urged that the architecture of decision making should include the role of communities in the allocation of sustainable use of resources, and that the creation of the new State should be seen as an opportunity to redesign the architecture of governance. The focus needs to shift from resource exploitation to their augmentation and sustainable use and local communities must have a more direct role to play in that. This would provide a better chance of finding a common ground for all the stakeholders including governments to work together. “*So, the suggestion of the Justice Srikrishna Committee of forming a water-management board, a river-management board and other developmental corporation is a good one, provided that the communities have a much more direct role to play in these organisations,*” he said.

Mr. Pandey also emphasised that as most of the river resources lie in the upland Telangana region, it may be relevant to consider communities living in the uplands as ‘custodians and stewards of ecological assets’, for which the downstream users of those assets pay for the ecosystem services which are provided. This would enable local (upland) communities to develop a strong self interest to sustain the health of the ecosystems, to ensure quality of water supply and so on, said Mr. Pandey, adding that there are fairly developed methodologies in advanced countries by which all downstream users pay for these resources.

Dr. R. Vidyasagar Rao, a former Chief Engineer of the Central Water Commission, and a noted expert on irrigation projects in Andhra Pradesh, dealt with the sharing of river water resources. Beginning from the Helsinki Rules, the international principles that govern

sharing of river waters in any particular basin by the respective states, give a 'priority right' to already existing users. Dr. Rao said that in the case of Krishna river waters, a major inter-State river flowing through Andhra Pradesh, the Bachawat Tribunal has already apportioned the allocations, based on an annual 75 per cent water dependability basis in the entire basin. Now, if Andhra Pradesh was bifurcated into Telangana and Seemandhra, there should not be much of an issue in sharing Krishna waters, as the Tribunal had already done the apportioning project-wise. So, out of the 811 tmcft of Krishna waters assigned to Andhra Pradesh as a whole, about 145 tmcft of water would go to Rayalaseema and about 300 tmcft to Telangana, based on the irrigation projects already there, he pointed out.

Now, as part of Andhra Pradesh, Telangana region's grievance was that its water was diverted to other areas. If a new State of Telangana was created, a water management board would be in place to oversee the distribution of already allocated Krishna waters to both the States on the respective project-basis, said Dr. Rao.

However, the more problematic issue, as Dr. Rao explained, was the sharing of surplus flows. *"Earlier, by virtue of certain claims, Andhra Pradesh was given certain liberty without acquiring any right. So, Andhra Pradesh started building certain dams, though the Centre did not approve them,"* said Dr. Rao. Hence, premised on the 'surplus flows' in the Krishna basin, several projects have come up without proper recognition by the Planning Commission and with no plan funds, he said, adding, the general allegation has been that even the surplus waters have been taken away to other areas. Now if Telangana became a reality, this process will be arrested and *"that is not tolerated by the people in Seemandhra region as they enjoy more water than their share,"* said Dr. Rao.

A Tribunal headed by Brijesh Kumar has also been appointed to go into the surplus flows issue in the Krishna river basin, and had apportioned the quantity of surplus waters also among the three regions, but this has put a question mark over new projects (about seven projects), *"for which we thought all the surplus water will come to us,"* said Dr. Rao. Out of these, six projects will not get any water, which includes three each in Telangana and Rayalaseema. Farmers from the Rayalaseema region, which is drought-prone, were very perturbed, notwithstanding the fact that the surplus water allocation to all the three regions is also fixed, said the irrigation expert.

As regards the Godavari river basin, only 50 per cent of its potential has been tapped so far, he pointed out. Referring to the massive Polavaram irrigation project in the pipeline in this context, Dr. Rao said even as certain matters related to it were pending in the Supreme Court, the fears were, nonetheless, unfounded.

Elaborating on the water potential of the Godavari River, which has plenty of water to be tapped, Dr. Rao said already allocations from it have been fixed for Telangana area (about 900 tmcft) and Andhra area (about 580 tmcft). The issue was over the Polavaram project, which has got stuck in

the Supreme Court as people of neighbouring Chhattisgarh and Odisha have raised objections as to how they could take it forward without consulting them. The upstream Telangana people also have some objections on the height of the dam as it could submerge a lot of forest area and affecting the tribals in Telangana area, pointed out Dr. Rao.

Dr. Rao's remarks prompted Mr. Narayan to remark that political discussions on the Telangana issue were not taking into account the institutional excellence that is available in the country, and that institutional discussions should go on in parallel to the political discussions.

Prof. Revathi Ellanki, from the Centre for Economic and Social Studies (CESS), Hyderabad, who focused on sharing of State revenues and taxes, cited recent studies on the revenue trends, and said that while collections from land revenue had dipped to less than one per cent, ST and excise duty had gained in importance. Andhra had a higher share in ST in the beginning. But with many of the companies located in Hyderabad, the accounting of taxes payable was done at the head office and therefore Hyderabad accounted for more revenues under ST, Prof. Ellanki explained.

Pointing out that the expenditure on Telangana has not been adequate historically, Prof. Ellanki said that the sharing of State revenues and taxes between the to-be-formed States has become another contentious issue, linked to the economic emergence of Hyderabad. The question of Telangana surpluses – the difference between what ought to have been spent for that region and what was actually spent – for the years between 1956 to 1968, was a key issue when K. Lalit was appointed in 1969 to determine the exact quantum of the Telangana surpluses. One of the major causes of the 1969 agitation was that people felt that expenditure was not commensurate with the revenues that were generated in Telangana.

Going beyond the revenue figures, Prof. Ellanki dwelt at some length on the fact that the new Telangana State, if created, would be financially viable. She also presented an alternative model of what could be a more equitable way of distribution of tax resources. Asking how a fair share of the taxes should take place, Prof. Ellanki suggested a sharing ratio, based on the GSDP contributions by the respective regions. Broadly (by 2011-12 figures), 55 per cent of the GSDP came from Seemandhra areas, while 44 per cent of the GSDP was contributed by Telangana region. This principle (based on GSDP ratio) can be adopted to apportion tax revenues as long as there is a common capital for both the States to avoid ill-feeling, she said.

Prof. Ellanki said that after the abolition of the 'Telangana Regional Committee' (TRC), the government stopped publication of region-wise revenue expenditure data. It was only after a lot of pressure by political parties in the Legislative Assembly that in March 2007, the government gave an abridged version, a region-wise budgetary allocation covering major revenue expenditure heads and that too only for four years between 2003-04 and 2007-08.

Prof. Ellanki said there were also again, ‘alternate versions’ about the share and size of sales tax and state excise duties, because “*it depends on the geographical area considered*”. Referring to one comparative exercise done by CESS for the year 2011-12, on the respective share of the main revenue items, she said the share of grants-in-aid is 14 per cent, non-tax revenue 12.50 per cent and tax revenues 73 per cent.

Of the tax revenues, the share of central taxes is 25 per cent while the State’s Own Tax Revenue (SOTR) is 75 per cent. Of the latter, Sales Tax constituted 67 per cent and State Excise Duty 16 per cent, she said. Stamps and registration, which was around 10 per cent, had dipped to 5.81 per cent in 2011-12, she said. Given this pattern, how are the tax revenues to be shared between the two States if Telangana is formed, Prof. Ellanki asked, before she articulated her proposal for a “fair” revenue sharing formula for the two States, derived from what she termed a ‘GSDP-based model’.

Mr. Narayan then intervened to say that allocation of liabilities or past debt was as important as allocation of tax revenues between the two States in the event of the formation of Telangana. One option was to “equalise the liabilities and share the burden as the cost of creating a new State,” said Mr. Narayan.

However, during the discussions shortly later, Prof. Ellanki’s GSDP-based model of sharing the SOTR did not find favour with several discussants at the Consultation. One of the discussants, Mr. Tadakamalla Vivek, made the point that SOTR was essentially consumption based. Another panellist, D.A. Somayajulu, rejected the GSDP-based pattern of tax sharing, saying that the Andhra region does not have the same level of economic activity as Hyderabad does.

While Prof. Ellanki sought to defend her prescription saying it would be only a transition arrangement till Seemandhra has a new capital, by which time territories would be well defined, Mr. Joy Oommen countered that a joint capital would not solve the problem of revenue sharing itself; he felt that GSDP based sharing of taxes would not be required as the taxes collected by the State are mostly location-based.

A key point of this discussion was that if bifurcation of Andhra Pradesh was on the cards, then the whole issue of how and the extent of tax revenues sharing would have to be immediately referred to the 14th Finance Commission, as it was the only Constitutional mechanism through which sharing of tax revenues could be done.

Mr. Somayajulu, former Economic Advisor to the Andhra Pradesh Government, in his presentation, said that while division of electricity generation assets may not be such a problem, there were other huge structural issues any slated division of Andhra Pradesh would

have to contend with. For instance, with Hyderabad having become a super economic power house, the location of excellent institutions of higher learning, multinational companies and an IT hub, Mr. Somayajulu asked, “*assuming a division, who will bear the cost of creating the educational infrastructure in Seemandhra?*” Again, with about 45 per cent of the revenues coming from Hyderabad alone, to replicate this scale of economic activity in Seemandhra in ten years would be very difficult, he said. Further, water releases, under irrigation projects, in proportion to their respective allocations in rainfall deficient years, would be extremely difficult issue to handle, he stressed.

CONCLUSION

A key outcome of the whole day's discussions was illustrating the possibility of dialogue over the issue of Telangana between those with strongly opposing views. Given the absence of such public conversations in Hyderabad or other parts of the State of Andhra Pradesh, this consultation by The Hindu Centre could well be credited for stepping into this void and starting a civil society initiative to find solutions, outside the various contentious arguments and debates that have been taking place over Telangana for many years now, to try to move forward to see how a certain demerger could take place without acrimony, with the feelings of fraternity and friendship remaining intact, largely as they were, and with opportunities to grow in the future. In the first session, politicians, 11 in all, both those who favoured a united Andhra Pradesh and politicians who favoured separation, came together to discuss the issue in the backdrop of news reports that day that the Government of India had clarified once again and finally that there would be no going back on Telangana, but that the modalities are yet to be decided.

Summing up the day's proceedings, **Mr. Aniket Alam**, Executive Editor, *Economic and Political Weekly*, said that the deliberations had provided us with ways to find solutions, and some common grounds which makes it possible for reconciliation. Across the board participants agreed on the following:

(i) The Government of India could do much more than it has to bring about a dialogue and reconciliation; there have been too many closed door meetings with not enough public discussion. The Government of India has not done enough to reach out to the people. Going beyond political parties, the government must reach out to the people and civil society in the weeks to come, especially in the light of multiple protests taking place in many of the districts of coastal Andhra and Rayalaseema. The settlers from coastal Andhra regions who are now living in the districts of Telangana and the city of Andhra Pradesh have real apprehensions and fears which cannot be dismissed off-hand and there is much that the government can do to reach out to the people in the weeks to come.

(ii) When a decision is taken when there is no agreement and very little common ground, in whomsoever's favour that decision goes, it is the moral responsibility of that party to reach out to the other party; which means that now that the political decision regarding Telangana has been taken, it is incumbent on all stakeholders to reach out to the people of Seemandhara on the points of disagreement. Assurances, even if that means just the reiteration of the fundamental rights and laws already in our Constitution, need to be held out and underlined for those who feel that the separation will lead to difficulty of access to educational and employment opportunities, or the safety and sustenance of their present habitation.

(iii) Some of the key issues that need to be closely looked at include that of building a new capital city for Seemandhara, and the Naya Raipur example could be a reference point for the same.

(iv) The concerns of backward regions such as Rayalaseema need to be addressed. This has been among the most neglected aspects of the entire issue of separation and the voice of the people of the four districts which form this region has been not adequately represented in the discussions and decisions that have taken place till now.

(v) The separation is an opportunity to look into new models of governance that take into account the capabilities of information technology. Particularly for the residual State which will come into existence after the demerger of the Telangana region, this will be an opportunity to take advantage of the various constitutional, political and technological options available to build new structures of administration and empower the citizen; an opportunity to “*leap-frog*” over the legacy administrative structures and bureaucratic red-tape of the extant institutions; to rethink decentralisation.

(vi) The sharing of tax revenues would have to be immediately referred to the 14th Finance Commission, as it is the only constitutional mechanism through which sharing of tax revenues could be done. There is little clarity on the ways in which revenues and liabilities will be shared. While there are precedents available from previous reorganisation of States, there are some specifics of the present case which need to be addressed. Also, the issue of dividing liabilities will be much trickier than the question of assets and revenues.

(vii) On the sharing of river waters, much of the agreements are already in place and though the problem now is intractable and passions are extremely high, the Centre should act. What emerged from the presentations and discussions was that the creation of the a new State will not materially affect the sharing of river waters and this has not been sufficiently highlighted.

(viii) All the participants and discussants rejected the idea of Union Territory status for Hyderabad as well as Hyderabad as a permanent joint capital of both States.

(ix) There is no question of holding a referendum to decide the future status of Hyderabad in the event of bifurcation of Andhra Pradesh.

Since the consultation was held, the Government of India has moved ahead by passing a Cabinet note on the matter and forming a Group of Ministers to work out the legal steps forward. News reports indicate that the Bill for the separate State will be presented in Parliament in the upcoming winter session. Given the support of the Congress and the main opposition party, the BJP, there appears little risk of this bill being delayed or held up in Parliament. However, the

political and legal issues in Andhra Pradesh have yet to be resolved. If anything, the announcement by the Cabinet seems to have pushed matters to the brink in the 13 districts of coastal Andhra and Rayalaseema where popular opinion is against the split.

As the Government moves ahead, the learnings from The Hindu Centre's consultation provide some useful pointers to both possible problems as well as possible solutions.

The entire focus of the government has been to address the Telangana demand and not enough attention has been paid to the apprehensions and fears of the people of Seemandhra. One of the ways to address the strident protests in the latter region is for the government to come out with a comprehensive plan for the development of this region. The Cabinet Note announcing Telangana does mention this but it is too perfunctory and lacking in details to have any credibility.

The Congress has formed the A.K. Anthony committee to look into the grievances of the Seemandhra people. However this is a party affair meant to address opposition within the Congress and, in any case, its terms of reference have never been very clear. For many of the Congress leaders of coastal Andhra and Rayalaseema, this committee was viewed as a way to postpone the government decision on the separate State.

This committee may still be useful in the larger picture but its legitimacy is based on the Congress and not the State or Government of India.

The Government of India, and not the ruling party, needs to announce without further delay, what it proposes for the Seemandhra region. The government may announce a ready-made plan which replicates the existing institutions and thinking on governance and administration for the new State. The Hindu Centre's consultation points us to the danger of this approach. It would make more sense for the Government of India to announce formal institutions and commissions which will be empowered to hold wide-ranging consultations with the people of Seemandhra and base their recommendations on that. This should include not just the location of the new capital, but also its planning, the financial and administrative means by which it will be constructed and the governance structures it will host.

The growth of Hyderabad as the magnet for people, opportunities and capital, to the detriment of other regions of the existing State can be a lesson on how not to build a new capital and State.

The Government of India also needs to remember that it is not one new State that is being created, rather it is the creation of two new States which we are going to witness. It therefore needs to announce measures which guarantee that decisions and agreements related to the two new States will be upheld and not open to political manoeuvring. The Congress party needs to keep itself in

the background, even as it participates in the ongoing political process, and the Government of India needs to be in the forefront. What the Congress leadership has failed to do till now, and has shown little sign of trying to remedy even at this late stage, is to engage in a political dialogue with the people of the State and address their apprehensions and fears. As the only national party with a political presence in Andhra Pradesh, the Congress needs to be proactive in this.

Finally, there is a rich seam of experience, both in the administration as well as political system, of re-organising existing States. As is evident, there is much devil hidden in the details of sharing and dividing resources, liabilities, assets, etc. Administrative structures during the period of separation will also need to be malleable while still being accountable and firm. This is no easy task and, if handled with anything less than finesse, can lead to further disputes and dead-ends.

The Hindu Centre's consultation showed how the knowledge of those with prior experience of such matters can not only bring light to the disputes, but even reduce the heat of the disputations, showing us a way forward. India has not seen such an acrimonious separation and/ or creation of a State in the past many decades. It will be a test of not just the government in power and the political parties, but equally, if not more, of our Constitution and political system as a whole.

The proceedings of the day-long consultation organised by The Hindu Centre provide a rare insight into where the areas of agreement and conciliation can be found as well as flagging those points which can lead to further disputes. As the government moves ahead with the formation of Telangana, this document will hopefully contribute to a less fractious demerger of Telangana and will lay the foundations of a future where the people of both States will live with fraternity.

ANNEXURE 1

List of Participants

Session 1 - Telangana - Building a Framework For a Consensus
Chairperson: Prof. Yogendra Yadav, Board of Advisors, The Hindu Centre

Prof. **Yogendra Yadav** is a senior fellow at Centre for the Study of Developing Societies. He is interested in the promise, practice and prospects of modern politics. He has studied how this unusual promise has been read by Indian socialist intellectuals, the conditions under which it is sometimes realised in the arena of electoral politics, and public policy design that can help redeem it. Dr. Yadav has been involved in the revival of survey-based studies of Indian elections, the renewal of National Election Study series, and the creation of Lokniti network of scholars. He has co-authored “Crafting State-Nations: India and Other Multinational Democracies” (2011) and two others volumes on democracies and electoral politics, besides writing dozens of academic papers. He writes regularly in Hindi and English newspapers and is a political commentator on television. Dr. Yadav has written school textbooks and has served on several policy advisory bodies. Dr. Yadav was awarded the Malcolm Adishesiah Award (2008) for contribution to Development Studies and was the first recipient of the Global South Solidarity Award (2009) instituted by the International Political Science Association. At present he is actively involved with the Aam Aadmi Party.

Session I - Panellists

Dr. M. Kodandaram is a political and civil rights activist, and Professor of Political Science, Osmania University, Hyderabad and is presently convenor of the all-party Telangana Joint Action Committee.

Mr. K. T. Rama Rao is the General Secretary of the Telangana Rashtra Samithi (TRS), which in recent years has been in the forefront of the struggle for a separate Telangana State. A member of the Andhra Pradesh Legislative Assembly, he is the son of K. Chandrashekhar Rao, founder of TRS. Having graduated in Microbiology from the Nizam College in Hyderabad, KTR went on to complete his M.Sc. in Biotechnology from Pune, followed by an MBA from the City University of New York.

Md. Ali Shabbir is Senior Vice President, APCC and a member of the Legislative Council.

Mr. K. Narayana is a veteran Communist leader and ideologue, and has been the Secretary of the Andhra Pradesh State Council of the CPI for three consecutive terms now and is a staunch supporter of the pro-Telangana Movement.

Mr. K. Haribabu is National Executive Member, BJP and former member of the Andhra Pradesh Assembly.

Mr. M. Gangadhar is Senior Vice-President, Andhra Pradesh Congress Committee, and former Member of the Legislative Council, AP Legislature.

Mr. Gade Venkat Reddy is a senior State Congress leader from Guntur district, five-times MLA of the Andhra Pradesh Assembly and a noted lawyer.

Mr. B. V. Raghavalu is a member of the Politburo of the CPI(M), and is presently the Secretary of the party's Andhra Pradesh State Committee. Commended for his organisational skills particularly during the Emergency period, Mr. Raghavalu was earlier an office bearer of the Students Federation of India in Visakhapatnam and also State Secretary of the CITU, before he took over as the Secretary of the Andhra Pradesh State Committee.

Mr. Syed Aminul Hasan Jaffri is an eminent journalist based at Hyderabad. During his journalistic career, spanning over four decades, the 58-year-old Mr. Jaffri has written extensively on the politics, economy and society of Andhra Pradesh. A graduate in English Literature, Psychology and Islamic Philosophy from Nizam College, he holds a Masters degree in Communication and Journalism from Osmania University. Mr. Jaffri was elected as Member of AP Legislative Council (MLC) from Hyderabad Local Authorities Constituency in May 2010 and re-elected for a six-year term from the same constituency in May 2011, as an All India Majlis-e-Ittehadul Muslimeen (AIMIM) nominee.

Dr. Jayaprakash Narayan is a physician by training, who later joined the Indian Administrative Service. In his 16 years of distinguished Public Service, he had acquired a formidable reputation as an able policy maker and a tough bureaucrat in Andhra Pradesh. Dr. Narayan quit the IAS in 1996 to form the Lok Satta Party with like-minded colleagues, which is now spearheading a civil society movement for governance reforms in India.

Mr. M.V. Mysura Reddy is a former member of the Rajya Sabha from the Telugudesam Party (TDP), hailing from Kadapa District of Andhra Pradesh. He is a medical doctor by training and is now a senior functionary of the YSR Congress party.

R. Seetharama Rao is TDP Spokesperson and a former IPS Officer.

*Session 2 - Status of Hyderabad and the New Capital**Chairperson: Dr. Asha Sarangi*

Dr. Asha Sarangi is an Associate Professor at the Centre for Political Studies, Jawaharlal Nehru University, India. She obtained her Ph.D. from the department of Political Science at the University of Chicago. The main areas of her interest are political and cultural economy of development in modern India, state and development in India, identity and politics in South Asia and more specifically the politics of linguistic nationalism in modern India. Dr. Sarangi has earlier edited a volume titled *Language and Politics in India* published by the Oxford University Press. She has also contributed a number of articles in refereed journals and edited volumes on themes related to state politics, gender and identity and political democracy in modern India. She has been recipient of several fellowships and awards. She has most recently edited a volume (with Sudha Pai) titled *Interrogating Reorganisation of States: Culture, Identity and Politics in India*, published by Routledge, 2011.

Session II - Panellists**Prof. Rama Melkote**

Prof. Melkote is the General Secretary of Anveshi – Research Centre of Women’s Studies. She retired as Professor of International Relations and Political Science from Osmania University. Her research interests are social movements, feminist politics and human rights. She played a pioneering role in the feminist movement in Andhra Pradesh. She has a doctorate from the Sorbonne in Paris.

Mr. Burgula Narsing Rao is a freedom fighter who belongs to the generation of Telangana activists who have seen it all; from the Razakar movement leading to the police firing in 1948, to the formation of Andhra Pradesh and the initial Telangana separation movement through the 1950s and 1960s, and the resurgence of the Telangana movement of the last decade. Burugula Narsing Rao was born into a political family. His uncle, Burugula Ramakrishna, was the first Chief Minister of erstwhile Hyderabad State and had led a movement against the Nizam for the merger of Hyderabad State into the Indian Union.

Prof. M. Sridhar is currently Professor at the NALSAR University of Law, Hyderabad. He is a columnist on legal issues, and an expert in constitutional law.

Mr. P. Joy Oommen, IAS, is Chairman and MD, Kerala Financial Corporation. He is a former Chief Secretary of Chhattisgarh from 2008-12 and during his tenure he also held additional charge as Chairman of all 5 State power companies of Chhattisgarh. He was also Chairman of the Naya Raipur Development Authority, the body entrusted with the development of the new capital of Chhattisgarh.

Mr. N. Venugopala Rao, a civil rights activist, journalist, writer and literary critic, is the Editor of the acclaimed Telugu monthly *Veekshanam*, a journal of political economy and society.

Mr. J.A. Chowdary is a former Director of the Software Technology Park of India (STPI), Hyderabad. He is also associated with the State chapter of the CII, and played a key role in attracting IT Companies to Hyderabad during TDP leader, N. Chandrababu Naidu's tenure as Chief Minister.

Mr. Adusumilli Jayaprakash is a former MLA from Vijayawada and a former Youth Congress Organising Secretary. He is a staunch supporter of united Andhra Pradesh and an integrationist. He has written prolifically in the Telugu print media in the last two years about why Andhra Pradesh should remain united. He is now member of the YSR Congress party.

Session 3 - Sharing of Resources

Chairperson: Dr. S. Narayan

Having been nearly four decades in public service, **Dr. S. Narayan** is a former Union Finance Secretary. He was Economic Advisor to former Prime Minister A. B. Vajpayee during 2003-04. Dr. Narayan was entrusted with key responsibilities in the Ministry of Finance including formulating the macro-economic policy of the government and was a key player in formulating the Union Budget between 2000 and 2004. This was also the time when the process of carving out the three new smaller states of Uttarakhand, Jharkhand and Chhattisgarh culminated.

Session III - Panelists

Mr. Amitabha Pande is a former member of the Indian Administrative Service, who retired in 2008 as the Secretary of the Inter-State Council of the Government of India, a constitutional machinery for policy coordination, federal diversity management and consensus building between the Union of India and the States. He has spent 35 years in various capacities in several ministries/ departments/organisations both in the Government of India and the Government of Punjab, his parent cadre. In the Government of India he has had long tenures at policy levels in the Ministry of Home Affairs, the Ministry of Science & Technology and the Ministry of Defence.

In the Government of Punjab he worked at the senior most levels in the Departments of Planning, Science and Technology, based in Chandigarh.

Dr. R. Vidyasagar Rao is a former Chief Engineer of the Central Water Commission (CWC), and is an irrigation expert who has also worked for the National Water Development Agency. He is an expert on irrigation projects in Andhra Pradesh.

Professor Revathi Ellanki is currently Professor at the Centre for Economic and Social Studies (CESS), Hyderabad. Her research interests are Agriculture, Gender Studies and Development studies. She worked on 'Women work and Technology in Agriculture' for her Ph.D. At CESS she has carried out research on the issues of the agrarian crisis in Andhra Pradesh, farmers and weavers suicides, rural indebtedness and the Mahatma Gandhi National Rural Employment Guarantee Programme. She also works in the area of regional inequalities.

Mr. D.A. Somayajulu is an agricultural economist and a former advisor to the erstwhile Y. S. Rajasekhara Reddy government in Andhra Pradesh. Mr. Somayajulu was advisor to the State government on economic affairs and policy implementation and a former Deputy Chairman of the Agriculture Technology Mission till December 2010.

Conclusion

Chairperson: Mr. Aniket Alam

Mr. Aniket Alam is Executive Editor of the *Economic and Political Weekly*. He was a reporter at *The Hindu* newspaper from 2011-2005, based in Hyderabad. He has also worked at the Swiss Agency for Development and Cooperation, Panos International and the International Labour Organisation in New Delhi. He has a PhD in History from the Jawaharlal Nehru University for his thesis on Transformations in the Western Himalayas under Colonialism. This was later reworked and published as a book, *Becoming India: Western Himalayas under British Rule*, published in 2008 by Cambridge University Press, New Delhi.

Discussants

Mr. K.S. Gopal is a Scholar in Residence at the Tata Institute of Social Sciences, Mumbai and a former member of the Central Employment Guarantee Council. He is a leading civil society activist and has worked extensively on governance accountability and people's movements.

Mr. G. Prabhakar is former President of the Institution of Engineers (India), and Chairman Managing Committee - Engineering Staff College of India. He is an expert in engineering and has held key positions in Government of Andhra Pradesh.

Ms. Kameshwari Jhandhyala is known for her contribution to women's empowerment at the national level. She is associated with Mahila Samakhya, a GoI programme across the country, and was a member of the Standing Committee on the Women's Studies Programme of the UGC. She is editor of "Cartographies of Empowerment - The Mahila Samakhya Story".

Mr. Mallepalli Laxmiah is Founder, Centre for Dalit Studies, Osmania University. He is a key Member of the Telangana Action Committee. He is a well-known civil society leader who was very instrumental in advocating for the enactment of the SC-ST Sub Plan in Andhra Pradesh. He has been a journalist for over 25 years.

Mr. Chanda Lingaiah is the State Convenor, Manya Seema Rashtra Sadhana Samithi (MRSS) and a former MLA, Andhra Pradesh.

Dr. K. Lalita is co-author and editor of classics in women's studies, such as "We Were Making History... Life Stories of Women in the Telangana People's Struggle", "Women Writing in India from 600 BC to the 20th Century", and "Taking Charge of our Bodies." She was founder-president of India's first women's activist group, the Progressive Organisation of Women, and founder-coordinator and currently Vice-President of Anveshi – Research Centre of Women's Studies. As Director of the Hyderabad-based NGO Yugantar, she has been working on issues of gender, minority rights, and food security. Along with Diia Rajan and Deepa Dhanraj, she has recently completed a major research project titled "Minority Women Negotiating Citizenship", studying the long-term impact of communal violence on Muslim women in India. This is work to be published shortly as a book entitled "Beyond Belief: Muslim Women Speak About Post Conflict Life."

Professor Srinivasulu Karli is with the Department of Political Science, Osmania University. His areas of expertise include public policy, development studies, agrarian and Dalit movements, studies of globalization and its impact on traditional occupations and crafts, political economy, regional studies, politics of Special Economic Zones (SEZs) and State and business relations in India.

Professor K.C. Suri is with the Department of Political Science at the Central University, Hyderabad. He teaches political theory and Indian politics at the post-graduate level. Dr. Suri was the Editor of the *Indian Journal of Political Science*, the quarterly journal of the Indian Political Science Association, for 2001 and 2002. His research projects have included a monograph on "Democratic Process and Electoral Politics in Andhra Pradesh", as part of "Livelihood Options" Research in the South Asia Project, Overseas Development Institute, London. He is currently member of the core team of the Research Project on "Governance and Policy Spaces in Andhra Pradesh", located at the Centre for Economic and Social Studies, Hyderabad.

Mr. Tadakamalla Vivek is the Convenor of the Telangana History Society and the General Secretary of the Telangana Coordination Committee.

Dr. Fatima Ali Khan is a geographer and a gender expert. She has held important portfolios in Osmania University, was Director of the Centre for Women's Studies and also active in social work. She is an academic and research scholar with great insights into Hyderabad culture and geography.

Mr. K. Ramachandra Murthy is Editor-in-Chief, HMTV and *The Hans India*, Hyderabad.

Mr. Ashok Tankasala is Resident Editor, *The Hans India*.

Mr. Raghu is Convenor of the Telangana Electricity Employee's Joint Action Committee. He has undertaken many studies on the privatisation policy of the government in the power sector.



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