

What Is In Fazal Ali Commission Report ???

States Reorganization Commission Report

The **States Reorganization Commission** was constituted by the Central Government of India under the States Reorganization Act and consisted of Hon. Faizal Ali, K.M. Panikker, and H.N. Kunzru. The Report submitted by the Committee in 1955 known as SRC Report went among other things into the problems of Telangana and Andhra regions, and the arguments for and against the merger of two regions.

Case for Vishalandhra

369. The next question which we have to consider is the future of the Telugu speaking areas of the existing State of Hyderabad, with particular reference to the demand for creation of Vishalandhra.

370. It is unnecessary for us to trace the history of the Andhra agitation in any great detail, because the Andhra State is now in existence, having been established on 1 October 1953. In point of fact, however the arrangements which were made in 1953 have not been regarded by the Andhras in the new State, especially in the Circars, as final and the case for the creation of Vishalandhra has remained substantially un-examined.

371. The advantages of a larger Andhra State including Telangana are that it will bring into existence a State of about 32 millions with a considerable hinterland, with large water and power resources, adequate mineral wealth and valuable raw materials. This will also solve the difficult and vexing problem of finding a permanent capital for Andhra, the twin cities of Hyderabad and Secunderabad are very well suited to be the capital of Vishalandhra.

372 Another advantage of the formation of Vishalandhra will be that the development of the Krishna and Godavari rivers will thereby be brought under unified control. The Krishna and the Godavari projects rank amongst the most ambitious in India. They have been formulated after prolonged period of inactivity, during which, for various technical and administrative, reasons only anicuts in the delta area have been built. Complete unification of either the Krishna or the Godavari valley is not, of course, possible. But if one independent political jurisdiction, namely, that of Telangana, can be eliminated, the formulation and implementation of plans in the eastern areas in these two great river basins will be greatly expedited. Since Telangana, as part of Vishalandhra, will benefit both directly and indirectly from this development, there is a great deal to be said for its amalgamation with the Andhra State.

373. The economic affiliation of Telangana with the existing Andhra State are also not unimportant. Telangana has in years of scarcity a sizable deficit in food supplies. The existing Andhra State, however, has normally a surplus which Telangana may be able to use. The existing State of Andhra has likewise no coal, but will be able to get its supplies from Singareni. Telangana will also be able to save a great deal of expenditure on general administration in case if it is not established as a separate unit.

374. The creation of Vishalandhra is an ideal to which numerous individuals and public bodies, both in Andhra and Telangana, have been passionately attached over a long period of times, and unless there are strong reasons to the contrary, this sentiment is entitled to consideration.

The Case for Telangana

375. The case of Vishalandhra thus rests on arguments which are impressive. The considerations which have been argued in favour of a separate Telangana State are, however, not such as may be lightly brushed aside.

376. The existing Andhra State has faced a financial problem of some magnitude ever since it was created and in comparison with Telangana the existing Andhra State has a low per capita revenue. Telangana, on the other hand, is much less likely to be faced with financial embarrassment. The much higher incidence of land revenue in Telangana and an excise revenue of the order of Rs.5 crores per annum principally explain this difference. Whatever the explanation may be, some Telangana leaders seem to fear that the result of unification will be to exchange some settled sources of revenue, out of which development schemes may be financed, for financial uncertainty similar to that which Andhra is now faced. Telangana claims to be progressive and from an administrative point of view, unification it is contended is not likely to confer any benefits on this area.

377. When plans for future development are taken into account, Telangana fears that the claims of this area may not receive adequate consideration in Vishalandhra. The Nandikonda and Kushtapuram (Godavari) projects are, for example among the most important which Telangana or the country as a whole has undertaken. Irrigation in the coastal as of these two great rivers is however, also being planned, Telangana. Therefore, does not wish to lose its present independent rights in relation to the utilization of the waters of Krishna and Godavari.

378. One of the principal causes of opposition of Vishalandhra also seems to be the apprehension felt by the educationally backward people of Telangana that they may be swamped and exploited by the more advanced people of the coastal areas. In the Telangana districts outside the city of Hyderabad, education is woefully backward. The result is that a lower qualification than in Andhra is accepted for public services

The real fear of the people of Telangana is that if they enjoy Andhra they will be unequally placed in relation to the people of Andhra and in this partnership the major partner will derive all the advantages immediately, while Telangana, itself may be converted into a colony by the enterprising coastal Andhra.

379. 'The Telangana' it has further been argued, can be stable and viable, unit considered by itself. The revenue receipts of this area on current account have been estimated at about Rs. 17 crores, and although the financing of the Krishna and Godavari projects will impose a recurring burden on the new State by way of interest charges, the probable deficit, if any is unlikely to be large. In favorable conditions, the revenue budget may even be balanced or indicate a marginal surplus. This fairly optimistic forecast can be explained or justified by a variety of reasons.

380. One important reason is, of course, that the existing Hyderabad State and Telangana as part of Hyderabad have benefited considerably from the implementation from April 1952, of the Finance Commissions' recommendations. The increase in central payments from out of the divisible pools of income-tax and Central excise which has been possible under the present arrangements and the reduction in police expenditure for which credit can be taken., as the situation in Telangana improves, more or less offset the loss on account of the abolition of internal customs duties, and if the scope which exists of raising the yield of certain State heads of revenue is fully explored, the financial position of Telangana need not cause anxiety.

The State of Hyderabad

381. The advantages of the formation of Vishalandhra are obvious. The desirability of bringing the Krishna and Godavari river basins under unified control, the trade affiliations between Telangana and Andhra and the suitability of Hyderabad as the capital for the entire region are in brief the arguments in favor of the bigger unit.

382. It seems to us, therefore, that there is much to be said for the formation of the larger State and the nothing should be done to impede the realisation of this goal. At the same time, we have to take note of the important fact that, while opinion in Andhra is overwhelmingly in favour of the larger unit, public opinion in Telangana has still to crystallize itself. Important leaders of public opinion in Andhra themselves seem to appreciate that the unification of Telangana with Andhra, though desirable, should be based on a voluntary and willing association of the people and that it is primarily for the people of Telangana to take a decision about their future.

383. We understand that the leaders of the existing Andhra State may be prepared to provide adequate safeguards to protect the interest of Telangana in the event of its integration in Vishalandhra. These safeguards may take the form of a guarantee (presumably on the lines of Sri Baug Pact between

Rayalaseema and Coastal Andhra) of opportunities for employment for Telangana in the public services of the new State at least to the extent of one-third, that is to say, roughly in the proportion, and an assurance that particular attention will be paid to the development plans of this area.

384. We have carefully gone into the details of the arrangements which may be made on these lines. It seems to us, however, that neither guarantees on the lines of the Sri Baug Pact nor constitutional devices, such as "Scottish devolution" in the United Kingdom, will provide workable or meet the requirements of Telangana during the period of transition. Anything short of supervision by the Central Government over the measures intended to meet the special needs of Telangana will be found ineffective, and we are not disposed to suggest any such arrangement in regard to Telangana.

385. A further point to be borne in mind is that the State of Andhra was brought into existence only recently and has still not got over the stress of transition. It has for example, still to formulate a policy on land reforms and the problems arising from the partition from the composite State of Madras have, by no means, been. Tackled fully yet. Integration of Telangana with Andhra at this stage is, therefore, likely to create administrative difficulties both for Andhra and Telangana.

386. After taking all these factors into consideration we have come to the conclusions that it will be in the interests of Andhra as well as Telangana area is to constitute into a separate State, which may be known as the Hyderabad State with provision for its unification with Andhra after the general elections likely to be held in or about 1961 if by a two thirds majority the legislature of the residency Hyderabad State expresses itself in favor of such unification.

387. The advantage of this arrangement will be that while the objective of the unification of the Andhras will neither be blurred nor impeded during a period of five or six years, the two governments may have stabilized their administrative machinery and, if possible, also reviewed their land revenue systems etc., the object in view being the attainment of uniformity. The intervening period may incidentally provide an opportunity for allaying apprehensions and achieving the consensus of opinion necessary for a real union between the two States.

388 Andhra and Telangana have common interests and we hope these interests will tend to bring the people closer to each other. If, however, our hopes for the development of the environment and conditions congenial to the unification of the two areas do not materialise and if public sentiment in Telangana crystallises itself against the unification of the two states, Telangana will have to continue as a separate unit.

389. The State of Hyderabad (as we would prefer to call this unit), to be constituted for the time being, should consist of the following districts, namely, Mahabubnagar, Nalgonda, Warangal including Khammam, Karimnagar, Adilabad, Nizamabad, Hyderabad, Medak and Bidar and Munagaala enclave in Nalgonda district belonging to the Krishna district of the existing Andhra State.