

ISAS Brief

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The 24-hour Electricity Programme in Telangana: More Needs to be Done for the Farmers

The government in the Indian State of Telangana announced in November 2017 that the agricultural sector in the State will receive 24-hour electricity supply from March-April 2018 onwards. However, the pilot project has met with stiff resistance from the farmers due to apprehensions that uninterrupted electricity supply will drain too much ground water. Moreover, the government's plans to revamp the farming sector may not alleviate the woes of the farmers. The sector has several pressing challenges at the present time.

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Introduction

The decision by the government of the Indian State of Telangana to provide uninterrupted electricity to the farm sector was announced by its Chief Minister Kalvakuntla Chandrashekar Rao after a meeting with D Prabhakar Rao, Chairman and Managing Director of Transmission

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Corporation of Telangana Limited (TS Transco) on 5 November 2017.² The full-fledged scheme is scheduled to commence in March-April 2018 when all the distribution and supply systems measures are complete.³ It will make Telangana the first State in India to provide 24-hour electricity to all 31 districts at no cost.⁴

The pilot programme is estimated to cost around ₹7,000 crore (S\$1,471 million) each year.⁵ Earlier this year, the government started supplying uninterrupted electricity to three districts – Medak, Nalgonda and Karimnagar. The government then conducted a trial run for five to six days in early November 2017.⁶ It involved monitoring the electricity supply on transformers, electricity lines, pumpsets and sub-stations.⁷ TS Transco is expected to provide an assessment and review the follow-up action after receiving feedback on the trial run. Telangana’s agricultural sector has 2.3 million pump sets, of which 958,000 are installed in the three districts.⁸ Around 8,250 megawatt will be required to provide continuous electricity supply.⁹ The government had lived up to its promise of delivering nine-hour electricity to the agricultural sector right after the State’s formation in 2014. Given its track record, it may, indeed, be successful in supplying 24-hour electricity when the project officially starts.

² “Telangana rolls out 24-hour power supply to farm sector on ‘experimental basis’”, *Livemint*, 6 November 2017. <http://www.livemint.com/Politics/ymjx17Dg8NFKSoPLKLzPLO/Telangana-rolls-out-24hour-power-supply-to-farm-sector-on-.html>. Accessed on 21 December 2017.

³ “Telangana to supply 24-hour power to agricultural sector from tomorrow”, PTI, *Deccan Chronicle*, 1 December 2017. <http://www.deccanchronicle.com/nation/current-affairs/051117/telangana-to-supply-24-hour-power-to-agricultural-sector-from-tomorrow.html>. Accessed on 27 November 2017.

⁴ “Telangana becomes first Indian state to supply free power to farmers”, Siddique, Mohammad, *Gulf News*, 6 November 2017. <http://gulfnnews.com/news/asia/india/telangana-becomes-first-indian-state-to-supply-free-power-to-farmers-1.2119938>. Accessed on 27 November 2017.

⁵ “Telangana: 24x7 power supply to help large farmers”, Acharyulu, SNCN, *Deccan Chronicle*, 22 November 2017. <http://www.deccanchronicle.com/nation/current-affairs/221117/telangana-24x7-power-supply-to-help-large-farmers.html>. Accessed on 18 December 2017.

⁶ “Farmers in Telangana to get 24-hour power supply from March-April”, IANS, *ETEnergyworld.com*, 6 November 2017. <https://energy.economictimes.indiatimes.com/news/power/farmers-in-telangana-to-get-24-hour-power-from-march-april/61524137>. Accessed on 27 November 2017.

⁷ “Trial run of 24x7 power supply to farmers in Telangana to commence from Monday”, *Telangana Today*, 21 December 2017. <https://telanganatoday.com/trial-run-24x7-power-supply-farms-in-telangana-commence-monday>. Accessed on 22 December 2017.

⁸ “Telangana to supply 24-hour power to agricultural sector from tomorrow”, PTI, *Deccan Chronicle*, 5 November 2017. <http://www.deccanchronicle.com/nation/current-affairs/051117/telangana-to-supply-24-hour-power-to-agricultural-sector-from-tomorrow.html>. Accessed on 28 November 2017.

⁹ “24x7 power: Demand up 500 MW on Day 1 in Telangana”, *Deccan Chronicle*, 8 November 2017. <http://www.deccanchronicle.com/nation/current-affairs/081117/24x7-power-demand-up-500-mw-on-day-1-in-telangana.html>. Accessed on 28 November 2017.

Reasons for the Focus on the Agricultural Sector

The government's electricity project is significant for a number of reasons.

Firstly, the government wants to ensure that the agricultural sector continues with its sustainable growth and development. Agriculture has played a critical role in Telangana's economic development since its formation in 2014. Approximately 60 per cent of the State's population depends on agriculture for its livelihood and means of support. Furthermore, the agricultural sector constitutes around 13 per cent of the State's total gross state domestic product.¹⁰

During the meeting on 5 November 2017, Chandrashekar Rao stated that, "Farmers of Telangana have suffered a lot under the United Andhra Pradesh regime due to the lack of power supply. They were not getting even three to four hours of supply. Though a major part of the cultivation was dependent on bore wells, the then government neglected it."¹¹

Secondly, the government wants to expand and make the agricultural sector more lucrative to farmers and is allocating a separate budget in 2018. Chandrashekar Rao told his officials to conduct training programmes on modern practices and techniques for the farmers. The government has also invested around ₹1,200 crore (\$252 million) to build a stronger electricity transmission system,¹² reflecting its desire to strengthen the farming industry.

Thirdly, the government wants to reassure the public that it is using the taxpayers' money wisely. The government recently came under fire for spending the public's money frivolously instead of investing it in public welfare schemes. For example, there was public outrage last year when Chandrashekar Rao splurged around ₹50 crore (\$10.5 million) on his lavish bungalow that has bulletproof bathrooms, offices and a movie hall. He defended his hefty spending, citing that it was necessary for his personal security.¹³

¹⁰ Guntukula, Raju, "Agricultural Performance of Telangana State: An Analysis", *Asian Journal of Research in Social Sciences and Humanities*, Vol. 7, No. 8, August 2017, p 169.

¹¹ "Telangana rolls out 24-hour power supply to farm sector on 'experimental basis'", *Livemint*, 6 November 2017. <http://www.livemint.com/Politics/ymjx17Dg8NFKSoPLKLzPLO/Telangana-rolls-out-24hour-power-supply-to-farm-sector-on-.html>. Accessed on 30 November 2017.

¹² "Telangana becomes first Indian state to supply free power to farmers", Siddique, Mohammad, op cit.

¹³ "India outrage at minister's \$7.3m house with bullet-proof bathroom", *BBC*, 25 November 2016. <http://www.bbc.com/news/world-asia-india-38102398>. Accessed on 30 November 2017.

The Chief Minister also earned a notorious reputation for presenting opulent gifts to temple deities that are publicly funded. He offered an assortment of gold ornaments to different temples in February 2017. He also gave ornaments worth around ₹5.5 crore (S\$1.16 million) to Lord Venkateswara at the Tirumala temple.¹⁴ Soon after, he presented a gold moustache to an idol in the Kuravi Veerabhadra Swamy temple, costing ₹60,000 (S\$1,260).¹⁵

As a result of the opulence, a petition was filed in the Hyderabad High Court on the legality of using public funds for the offerings. Dr Lubna Sarwath, who had lodged the petition, said, “Immediately recover whatever has been spent by KCR [Kalvakuntla Chandrashekar Rao] in the name of offerings from his private account. Also the logistics and expenses for his family and relatives and ministers should be paid by them from their account.”¹⁶

The opposition parties, such as the Indian National Congress (INC), have tried to gain political mileage by publicly criticising Chandrashekar Rao when he presented a gold crown worth ₹3.5 crore (S\$735,600) to a deity in the Warangal temple in October 2016. “How can you offer to God (sic) taking away from the poor and the tax-payer? Even God won’t accept that”, V Hanumantha Rao, a political leader from the INC said in reference to the offering.

As a result of these incidents and criticisms, Chandrashekar Rao and his government are more compelled to show that they are, indeed, spending public money for the benefit and betterment of the people of Telangana.

Criticism from the Farmers

Despite the best intentions of the government, the pilot programme has received flak from the farmers in the Medak, Nalgonda and Karimnagar districts. They have petitioned against the

¹⁴ “Telangana CM KCR to donate gold worth Rs 5.5 crore to Tirumala temple”, Srinivasa Rao Apparasu, *Hindustan Times*, 23 January 2017. <http://www.hindustantimes.com/india-news/kcr-to-donate-rs-5-5cr-worth-gold-to-tirumala-temple/story-LcviXqtGlpJBbUW1yUqWeL.html>. Accessed on 30 November 2017.

¹⁵ “After Tirupati, KCR offers ‘gold moustache’ to Kuravi temple”, PTI, *Business Standard*, 24 February 2017. http://www.business-standard.com/article/current-affairs/after-tirupati-kcr-offers-gold-moustache-to-kuravi-temple-117022400480_1.html. Accessed on 30 November 2017.

¹⁶ “KCR Can’t Use Public Funds For Gifts To Gods, He Must Pay, Activists Tell Court”, Sudhir, Uma, *NDTV*, 24 February 2017. <https://www.ndtv.com/telangana-news/kcr-cant-use-public-funds-for-gift-to-gods-he-must-pay-activists-tell-court-1662898>. Accessed on 30 November 2017.

continuous electricity project amid fears that increased power consumption will dry up the groundwater levels. The government has not introduced a proper irrigational project that will help farmers to store water for their crop cultivation. The farmers rely heavily on bore wells for their day-to-day activities. They are also afraid that shutting off their motors will not make any difference if the other farmers continue to pump the water. As a result, they want the electricity supply to be limited to the original nine hours each day.¹⁷

The recent event is not an isolated case. In July 2017, the farmers in the Gorantala village in Rajanna-Sircilla district also petitioned for power supply for only nine hours per day.¹⁸ Most of the farmers have installed automatic starters in their farms. The farmers in other villages also lodged similar complaints to the State's electricity officials.¹⁹

The string of complaints lodged by the farmers is not unexpected since Telangana is susceptible to both droughts and heavy rainfall. Unfortunately, the State does not receive sufficient and timely rainfall which is necessary for normal agricultural growth. It receives an average rainfall of 89 centimetres. Nearby places such as coastal Andhra receives a higher rainfall of 102 centimetres on average.²⁰ Telangana receives the most rainfall in June, July, August and September and experiences dry weather in January, February, March, April and December.²¹ There was a drought in April 2017 when the groundwater ran out fast.²² In August 2017, the State witnessed a monsoon²³ which heavily damaged the crops.

¹⁷ "India farmers say no to 24-hour power", *BBC*, 28 September 2017. <http://www.bbc.com/news/world-asia-india-41426089>. Accessed on 1 December 2017.

¹⁸ "Farmers say no to 24x7 power supply", Dayashankar, K M, *Hindu*, 22 July 2017. <http://www.thehindu.com/news/national/telegana/farmers-say-no-to-24x7-power-supply/article19333593.ece>. Accessed on 1 December 2017.

¹⁹ Ibid.

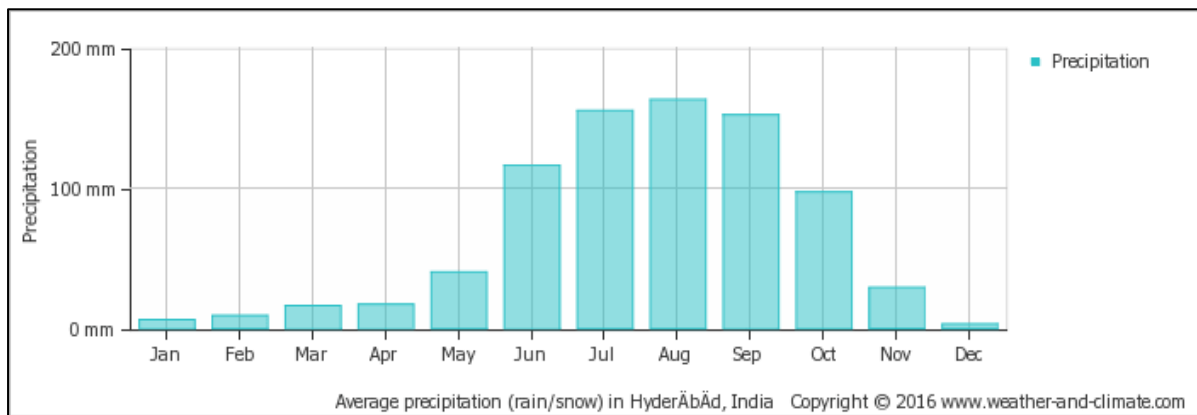
²⁰ Reddy, A Vinayak, *Modernisation of Indian Agriculture: With Special Reference to Andhra Pradesh*, (New Delhi: Mittal Publications, 1991), p 96.

²¹ "Home > India > Climate HyderAbAd", World Weather & Climate Information. <https://weather-and-climate.com/average-monthly-Rainfall-Temperature-Sunshine,Hyderabad,India>. Accessed on 1 December 2017.

²² Kurmanath, K V, "Drought in Telangana: Hopes dry up as rabi paddy crop withers", *Hindu*, 3 April 2017. <http://www.thehindubusinessline.com/economy/agri-business/hopes-dry-up-as-rabi-paddy-crop-withers/article9614031.ece>. Accessed on 1 December 2017.

²³ TNN, "Rainfall warning for next 48 hours across Telangana", *Times of India*, 4 September 2017. <https://timesofindia.indiatimes.com/city/hyderabad/rainfall-warning-for-next-48-hours-across-telegana/articleshow/60360119.cms>. Accessed on 2 December 2017.

Figure 1: Average Monthly Precipitation in 2016 (Rainfall, Snow)



Source: World Weather & Climate Information (2016). Average Monthly Rainy Days Over The Year <https://weather-and-climate.com/average-monthly-Rainfall-Temperature-Sunshine,Hyderabad,India>

Agrarian Distress

The State has several pressing problems to deal with in the agricultural sector. It has the second highest number of farmer suicides in India – 1,358 farmers committed suicide in the State in 2015.²⁴ The key reasons for the suicides are crop failures, irregular rain, loan burden, family issues and illnesses.

The majority of the farmers in Telangana cultivate cotton in their farms. Concomitantly, the number of suicides surges when the crop fails after the cotton season ends in September/October each year. Many farmers are unable to increase the cotton output despite repeated sowing and end up in bigger debts than before. In many villages, the farmers resort to crop destruction since there is no output despite two or three sowings.²⁵

This year, the problem of irregular rainfall was further compounded by unscrupulous traders who sold fake Bt cotton seeds to the farmers, leading to crop failure. The humidity during the heavy rains prevented the cotton from turning into fabric.²⁶ Sold at lower price than authentic cotton seeds, spurious Bt seeds are an attractive proposition to many of the farmers. Authentic

²⁴ “Suicides in farmer sector”, National Crime Records Bureau, CHAPTER – 2A, p. 265. <http://ncrb.nic.in/StatPublications/ADSI/ADSI2015/chapter-2A> per cent20suicides per cent20in per cent20farming per cent20sector.pdf. Accessed on 2 December 2017.

²⁵ “Tragedy in white: In Telangana, cotton season also means more farmer suicides”, Apparasu, Srinivasa Rao, *Hindustan Times*, 10 November 2017. <http://www.hindustantimes.com/india-news/tragedy-in-white-in-telangana-cotton-season-also-means-more-farmer-suicides/story-8T2BMYMgthAnL96a0W7kzL.html>. Accessed on 2 December 2017.

²⁶ Ibid.

cotton seed packets are sold between ₹700 and ₹750 (S\$14.70 and S\$15.80) while the fake seeds are priced between ₹350 and ₹400 (S\$7.40 and S\$8.40).²⁷ Despite police raids on seed shops in June 2017, traders continue to sell fake seeds to the farmers.²⁸

While the provision of continuous electricity will benefit the farming community in the State, it will not address the aforementioned troubles faced by the farmers. The government will need to play a more active role in this regard. Firstly, it needs to educate the farmers on the prevalence of spurious seeds in the marketplace, and how to distinguish between authentic and counterfeit seeds. Secondly, it should take stronger action against illegal hoarders and seed sellers. The police crackdown on illicit seed sellers earlier this year did not appear to be a strong deterrent. Thirdly, the government could set up a comprehensive loan scheme for the farmers. Many farmers turn to illegal moneylenders who charge exorbitant interest rates. The farmers end up getting harassed when they are unable to pay the debts. The government loan scheme, with reasonable interest rates, will provide a secured platform for the farmers to access credit.

Conclusion

The 24-hour electricity programme has been Chandrashekar Rao's long-term vision to transform the agricultural sector in his State. It would make Telangana the first Indian State to supply continuous electricity without any cost. However, it has met with resistance from the farmers who are concerned with the possible loss of groundwater.

The State has far greater challenges in its agricultural sector at the present moment. The rate of farmer suicides is alarming. Unless the government devises appropriate measures, the State will continue to witness high incidences of farmer suicides. In such a scenario, the 24-hour electricity supply programme will hold little value to the agricultural community in Telangana.

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²⁷ "Spurious cotton seeds worth Rs 12 lakh seized in raids", P Srinivas, *Telangana Today*, 5 July 2017. <https://telanganatoday.com/spurious-cotton-seeds-worth-rs-12-lakh-seized-raids>. Accessed on 2 December 2017.

²⁸ "Telangana Govt cracks whip on spurious seed sellers", Pradeep, Mandhumula, *Telangana Today*, 29 June 2017. <https://telanganatoday.com/telangana-govt-cracks-whip-spurious-seed-sellers>. Accessed on 22 December 2017.