PREFACE

In today's context of economic and social development, public water supply programmes are of greater importance. Provision of safe drinking water by the protected water supply undertaking agency has become a human right and it requires huge capital investment and drinking water has become an economic good.

Engineering is of great significance to the area of water supply enterprise and equally important is the science of economics - to apply economic analysis to various aspects of water supply. It is required to identify the areas of interest and importance.

Water supply, unlike other public utilities such as electricity and transport could not attract adequate attention of the economists, perhaps, for the reason that it has been regarded as a 'free good' since a long time. However, the position seems to have been changing for the last three decades and higher attention is being bestowed on the economic aspects of water resources. It is necessary to establish that water is no longer a free good and explore the economic dimensions of water supply. It is first necessary to identify and define a new area, economics of water supply and an attempt is made in this
study to annex the area-economics of water supply by attempting several exercises.

This study covers all the major aspects of public water supply systems in 4 district headquarters towns of Rayalaseema, a drought prone region. As a preliminary exercise, this study, without going into the more specific aspects of the system, is more descriptive and analytical. There is, however, a need for greater efforts to be made in this direction to cover various other aspects of relevance to the area, economics of water supply.

At the outset I must express my gratitude to my beloved teacher and supervisor, Prof. S. Subbaramaiah, who has been much more than a research supervisor. Anticipating the need for such a study, he initiated me into this part of public economics, and without his guidance and advice, it would never have been possible for me to attempt any exercise of this sort. I offer my pranaams to my revered teacher who has been guiding me at every stage and at every step.

I must also express my gratitude to Dr. V. Samba Murthy, Head of the Department of Economics, National College, Jayanagar, Bangalore, a learned researcher in the area - economics of water supply for offering.
his comments and suggestions. I offer my sincere thanks to him for his help and advice.

I am grateful to the University Grants Commission for awarding me the Junior Research Fellowship, and enabling me to devote myself full-time to this study. I am thankful to the Department of Economics, S.V.U.P.G. Centre, (Now S.K.University) Anantapur for providing me the necessary facilities to undertake this study.

I am grateful to the S.V.University Post-Graduate Centre, Anantapur, for extending me the benefit of enrolment for their Ph.D programme, and to the S.K.University for granting me extension of time for the submission of the dissertation.

This study would have been impossible without the kind permission of the authorities of Anantapur, Kurnool, Cuddapah and Chittoor municipal governments to study their organisations. The cordiality and help I received from the entire staff of these municipal offices were overwhelming. I offer my sincere and grateful thanks to all of them.

I must make a special mention of the assistance we received from the WHO International Reference Centre for Community water supplies, The Hague, The Netherlands.
The contacts with IRC-CWC proved extremely profitable, as it brought us in touch with the vast amount of research work being done in this area in other countries.

During the course of this study, I had to seek the help of several organisations. I express my grateful thanks to the authorities and staff of the libraries of the following Institutions.

Andhra Pradesh Government Secretariat Library, Hyderabad.
Andhra Pradesh Legislative Assembly Library, Hyderabad.
Andhra Pradesh State Archieves, -Hyderabad.
Indian Institute of Management, Ahmedabad.
Indian Institute of Science, Bangalore.
Osmania University Library, Hyderabad.
Sardar Patel Institute for economic and social Research, Ahmedabad.
Sri Venkateswara University Library, Tirupati.
United States' Information Service (American Library), Madras.
Sri Krishnadevaraya University Library, Anantap.

My special thanks are due to Smt.D. Vasantha, who gets the credit for efficient typing of this dissertation.

I do not have to add that the shortcomings of this study are my own responsibility.

Date: K. NAGESWARA RAO