

FINANCE DEPARTMENT
GOVERNMENT OF TELANGANA

Fiscal Rules, Sustainability, and Growth

2nd State Forum on Innovations in State Finances

27 September 2024



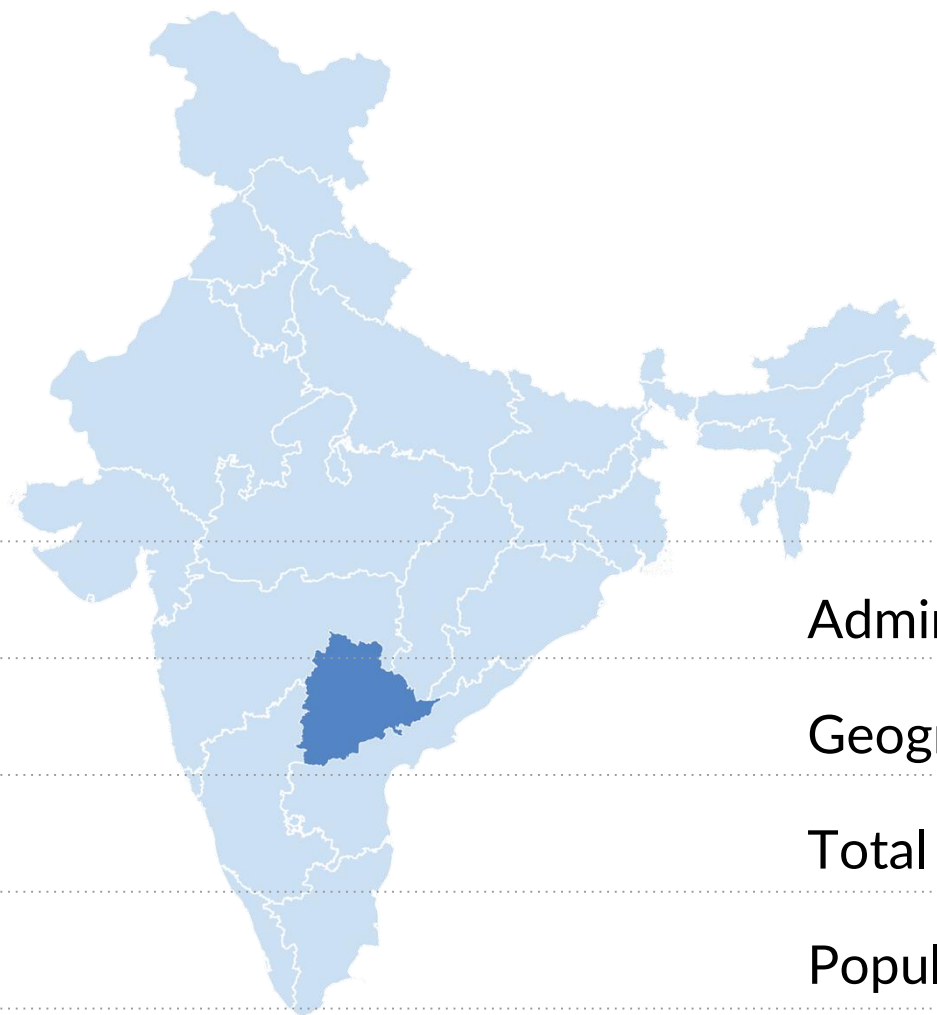
AGENDA

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01



Demographic & Geographical Profile of Telangana



			INDIA	TELANGANA	STATE'S RANK**
Administrative Districts	Number		719	33	-
Geographical Area	Square Kilometers		32,87,469	1,12,077	11
Total Population	lakh, 2011		12,108.55	350.04*	12
Population Growth	Decennial, %		17.70	13.58	-
Population Density	Persons/km ²		382	312	14
Rural Population	lakh, %		8,337.49 (68.86)	213.95 (61.12)	14
Urban Population	lakh, %		3,771.06 (31.14)	136.09 (38.88)	12
SC Population	lakh, %		2,013.78 (16.63)	54.09 (15.45)	12
ST Population	lakh, %		1,045.46 (8.63)	31.78 (9.07)	11
Sex Ratio	Females per 1,000 Males		943	988	18
Literacy Rate	%		72.98	66.54	24

*(2.9% of India Population)

** Out of the 28 States of India

02



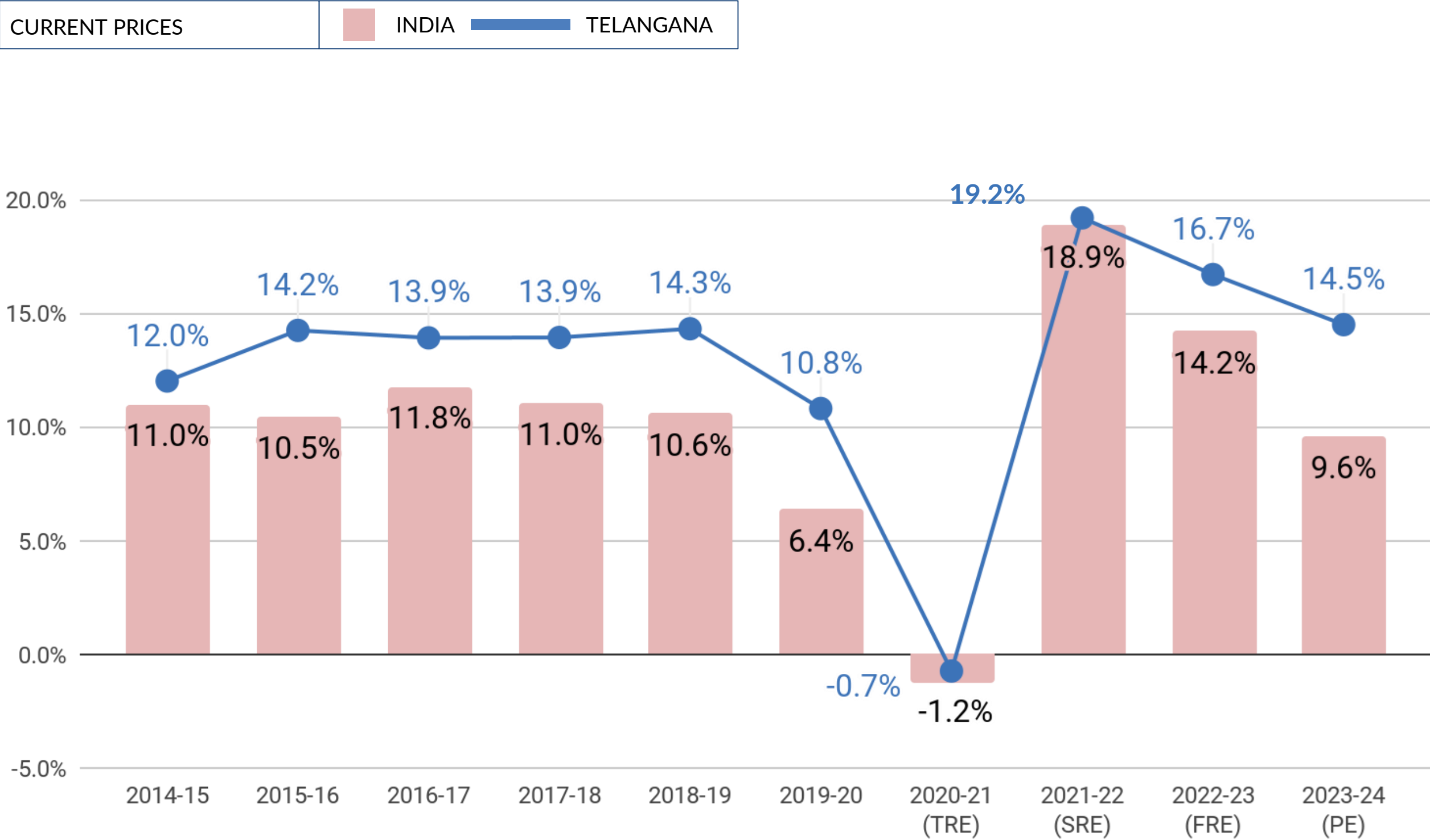
Telangana's Progress since Statehood



Telangana's Progress since Statehood

GSDP GROWTH

Telangana's GSDP growth rate consistently outpaced India's, achieving a CAGR of 12.8%, significantly higher than the national average of 10.1%



GSDP / GDP (in Rs. lakh crore)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (TRE)	2021-22 (SRE)	2022-23 (FRE)	2023-24 (PE)
Telangana	5.06	5.78	6.58	7.50	8.57	9.50	9.43	11.24	13.12	15.02
India	124.68	137.72	153.92	170.90	189.00	201.04	198.54	235.97	269.50	295.36

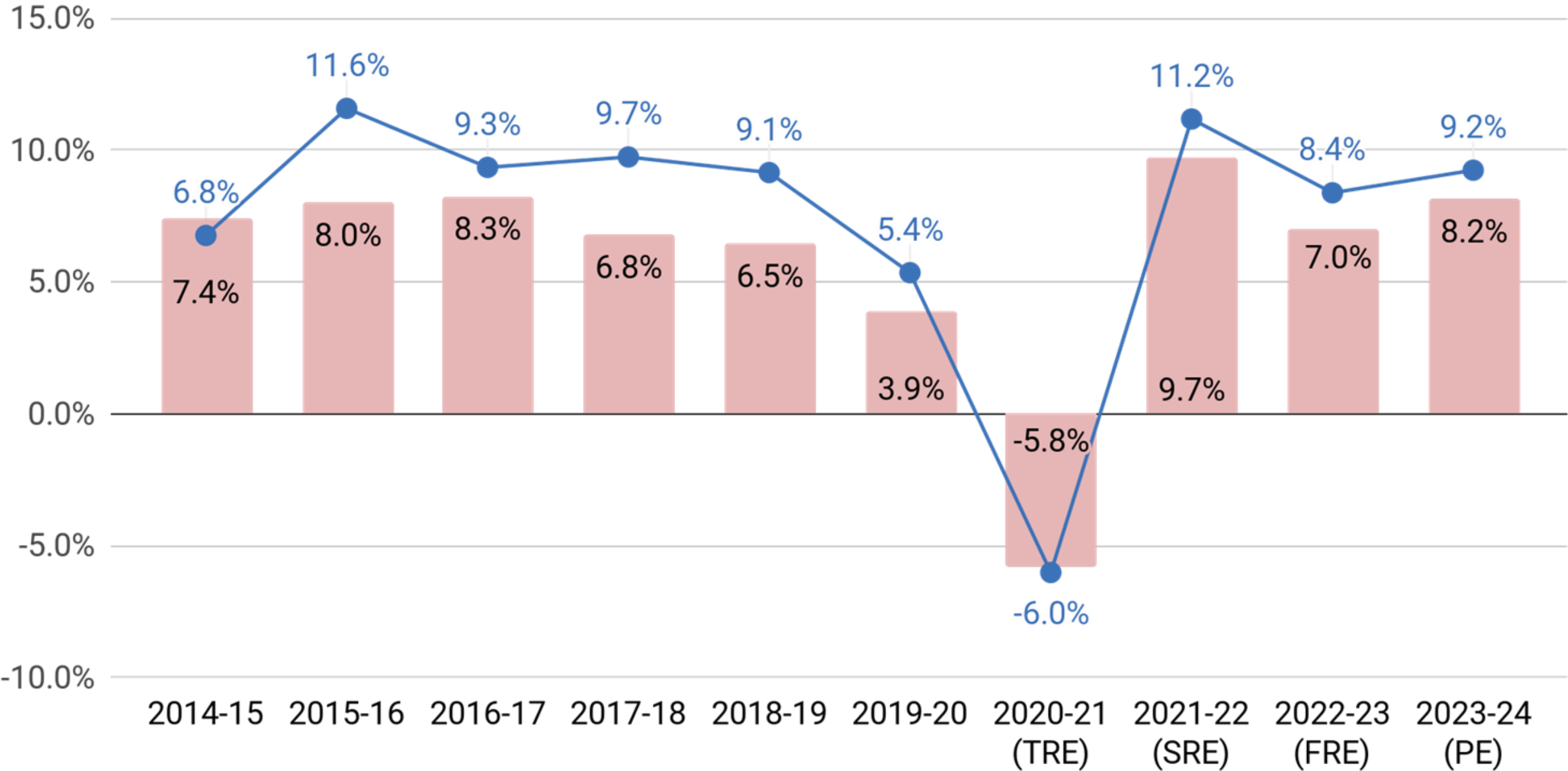
GSDP GROWTH

Telangana outpaced India's GSDP growth in most years, achieving a CAGR of 7.4%, significantly higher than the national average of 5.9%

CONSTANT (2011-12) PRICES

INDIA

TELANGANA



GSDP / GDP (in Rs. lakh crore)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (TRE)	2021-22 (SRE)	2022-23 (FRE)	2023-24 (PE)
Telangana	4.16	4.65	5.08	5.57	6.08	6.41	6.02	6.70	7.26	7.93
India	105.28	113.69	123.08	131.45	139.93	145.35	136.95	150.22	160.71	173.82



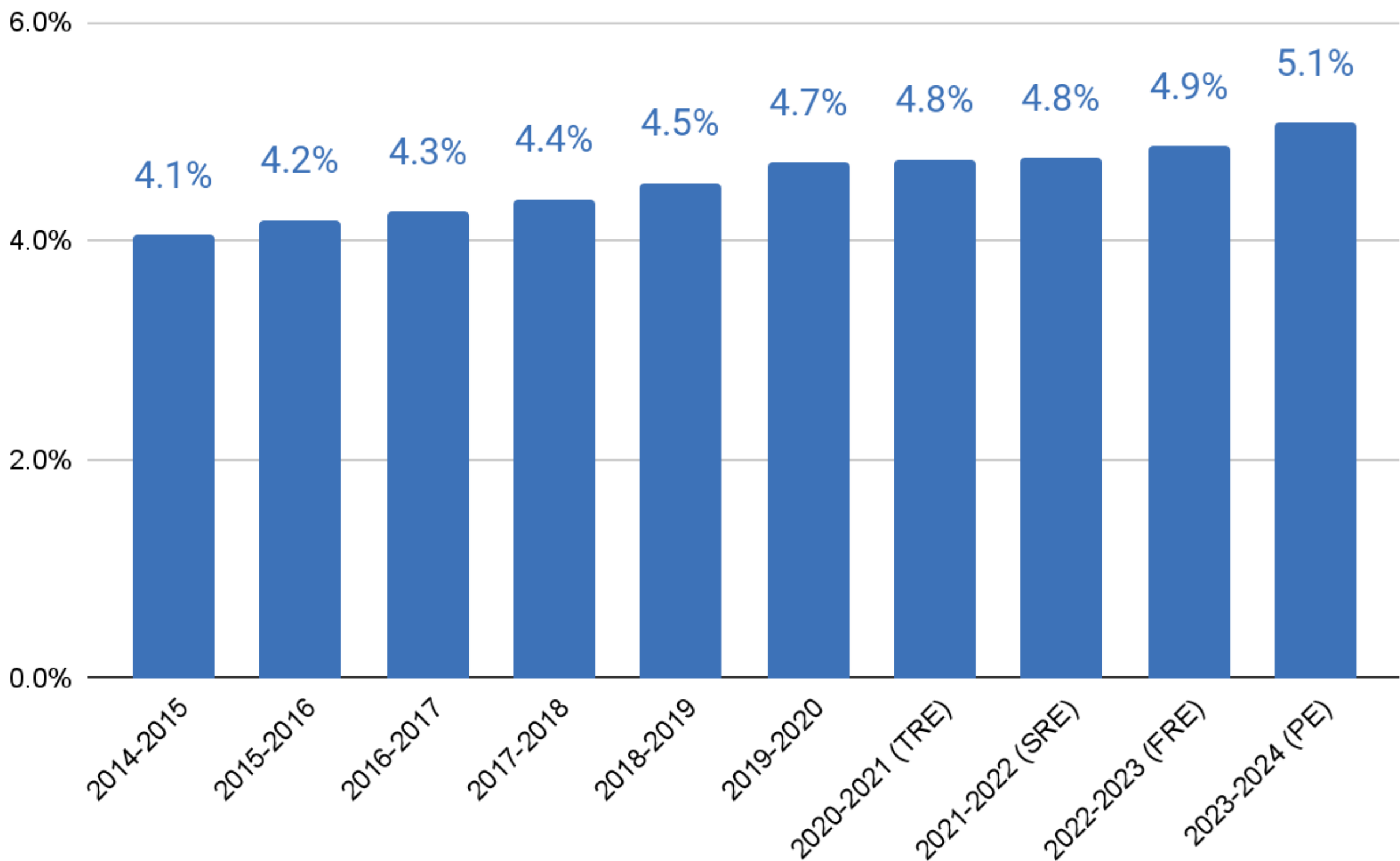


Telangana's Progress since Statehood

CONTRIBUTION TO NATIONAL GDP

Telangana's contribution to National GDP rose from 4.1% in 2014-15 to 5.1% in 2023-24, while its share of the national population averaged just 2.8% during this period

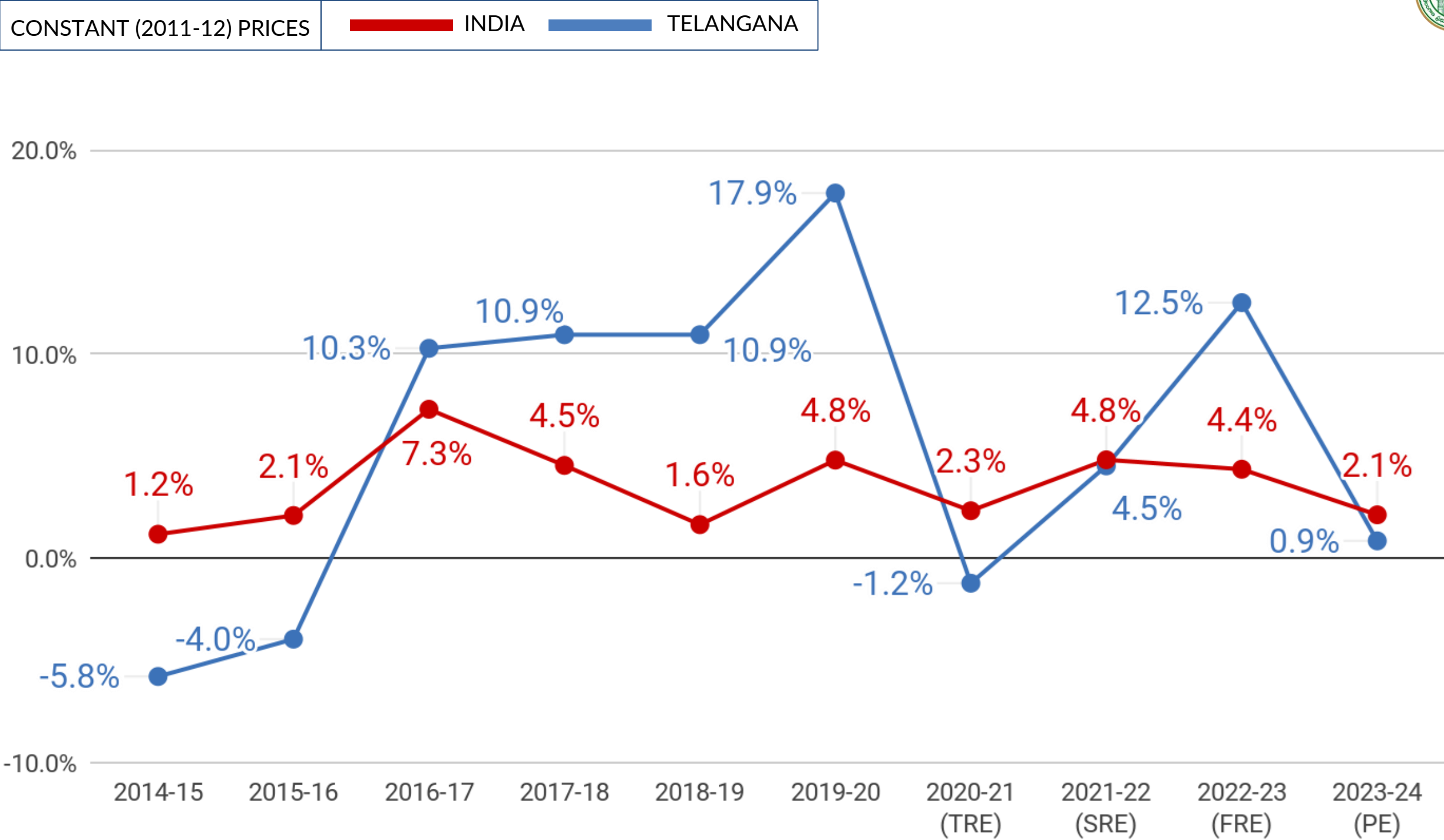
CURRENT PRICES



PRIMARY SECTOR GROWTH

Telangana's primary sector showed higher but more volatile growth than India's, with a CAGR of 5.4% compared to India's 3.5%, driven by strong performance in the following sub-sectors:

- Livestock (7.7%)
- Mining & Quarrying (7.4%)
- Fishing and Aquaculture (6.4%)



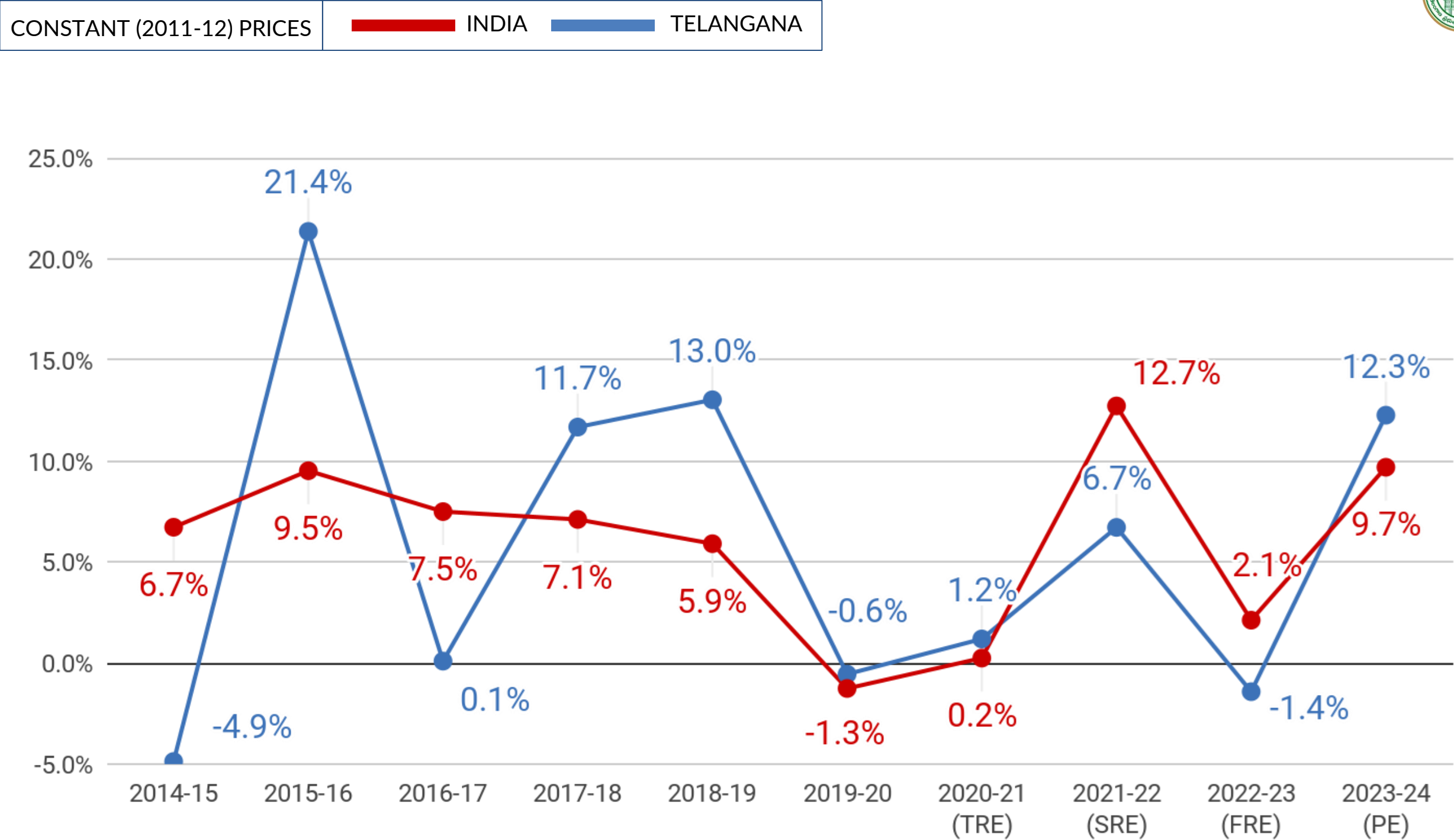
GSVA (in Rs. lakh crore)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (TRE)	2021-22 (SRE)	2022-23 (FRE)	2023-24 (PE)
Telangana	0.68	0.66	0.72	0.80	0.89	1.05	1.04	1.09	1.22	1.23
India	18.94	19.34	20.75	21.70	22.05	23.11	23.65	24.79	25.88	26.43

Telangana's Progress since Statehood

SECONDARY SECTOR GROWTH

Telangana's secondary sector grew more erratically and slightly slower than India's, with a CAGR of 5.7% compared to India's 5.9%, driven by growth in the following sub-sectors:

- Construction (7.6%)
- Manufacturing (5.4%)

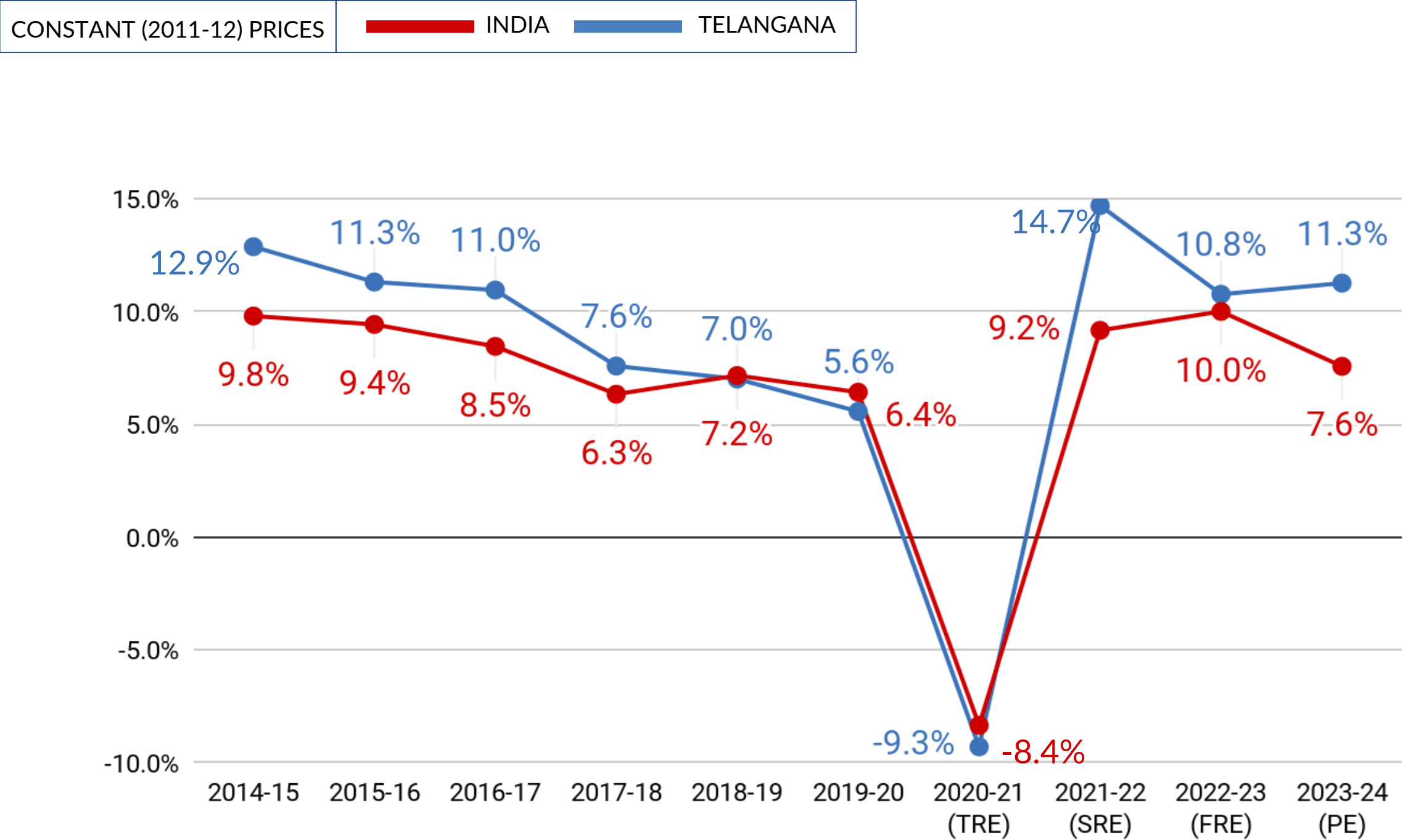


GSVA (in Rs. lakh crore)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (TRE)	2021-22 (SRE)	2022-23 (FRE)	2023-24 (PE)
Telangana	0.78	0.95	0.95	1.06	1.20	1.19	1.21	1.29	1.27	1.43
India	27.33	29.93	32.18	34.46	36.50	36.04	36.13	40.73	41.59	45.62

TERTIARY SECTOR GROWTH

Telangana's tertiary sector outpaced India's, with a stronger pandemic recovery and sustained high growth in recent years, achieving a CAGR of 8.1% compared to India's 6.5%, driven by the following sub-sectors:

- Trade & Repair Services (12.4%)
- Storage (12.0%)
- Air Transport (10.9%)
- Real Estate, Ownership of Dwellings & Professional Services (8.9%)



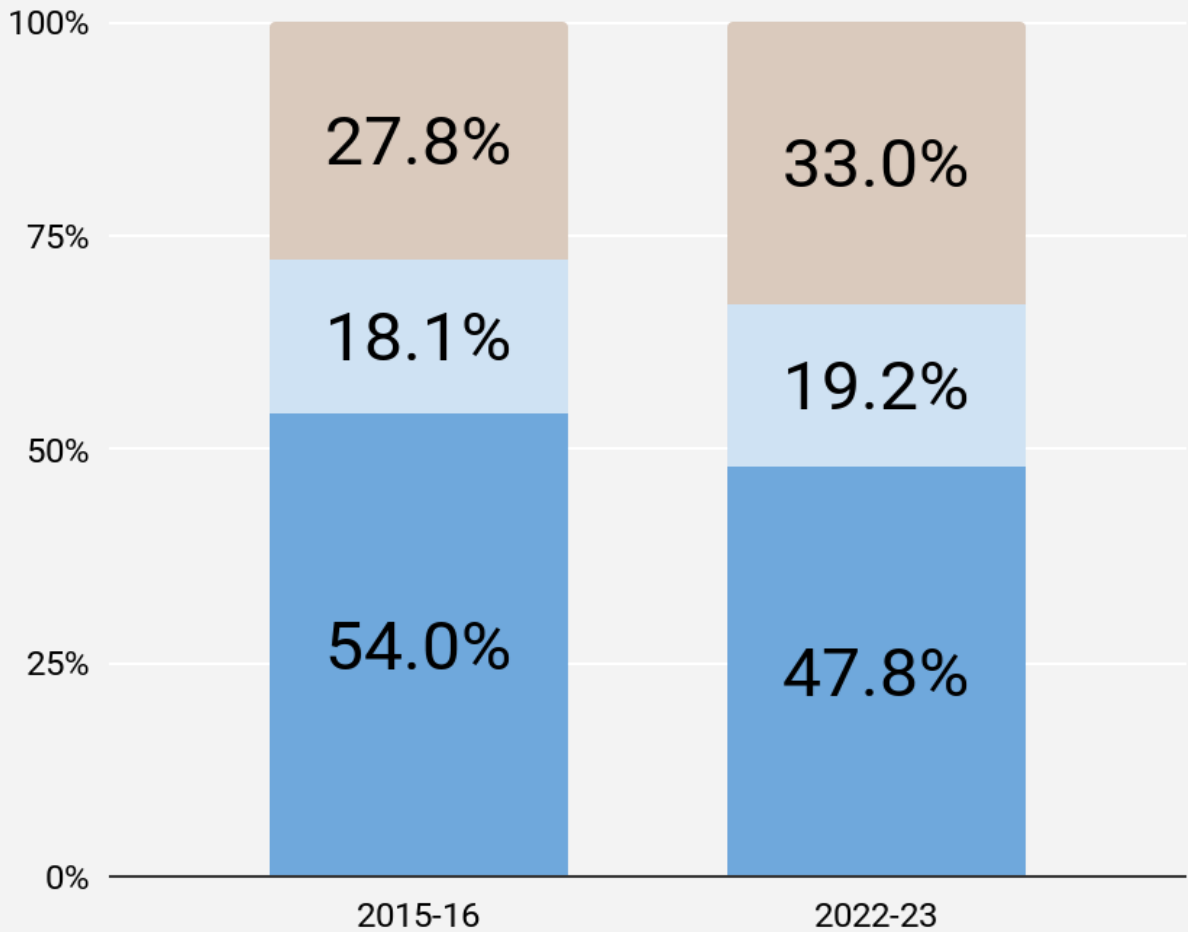
GSVA (in Rs. lakh crore)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (TRE)	2021-22 (SRE)	2022-23 (FRE)	2023-24 (PE)
Telangana	2.36	2.63	2.92	3.14	3.36	3.55	3.22	3.69	4.09	4.55
India	50.85	55.64	60.35	64.18	68.78	73.21	67.09	73.25	80.59	86.69

SECTORAL CONTRIBUTION TO EMPLOYMENT & GSVA

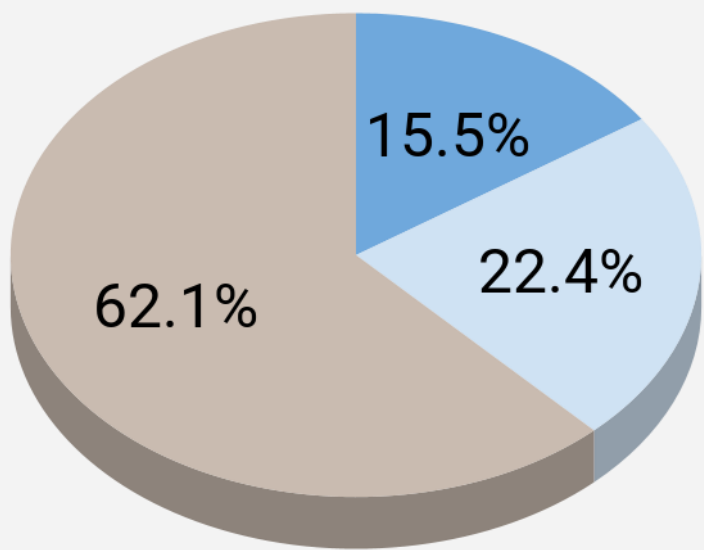
While the tertiary sector has been the dominant economic driver in Telangana, the primary sector has continued to employ the most people in the state.

CONSTANT (2011-12) PRICES		
PRIMARY	SECONDARY	TERTIARY

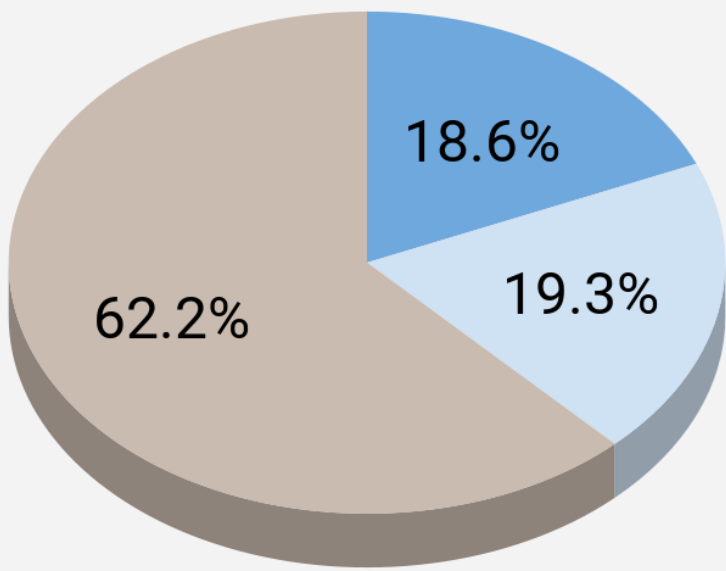
SECTORAL CONTRIBUTION TO EMPLOYMENT



SECTORAL CONTRIBUTION TO GSVA



2015-16



2022-23

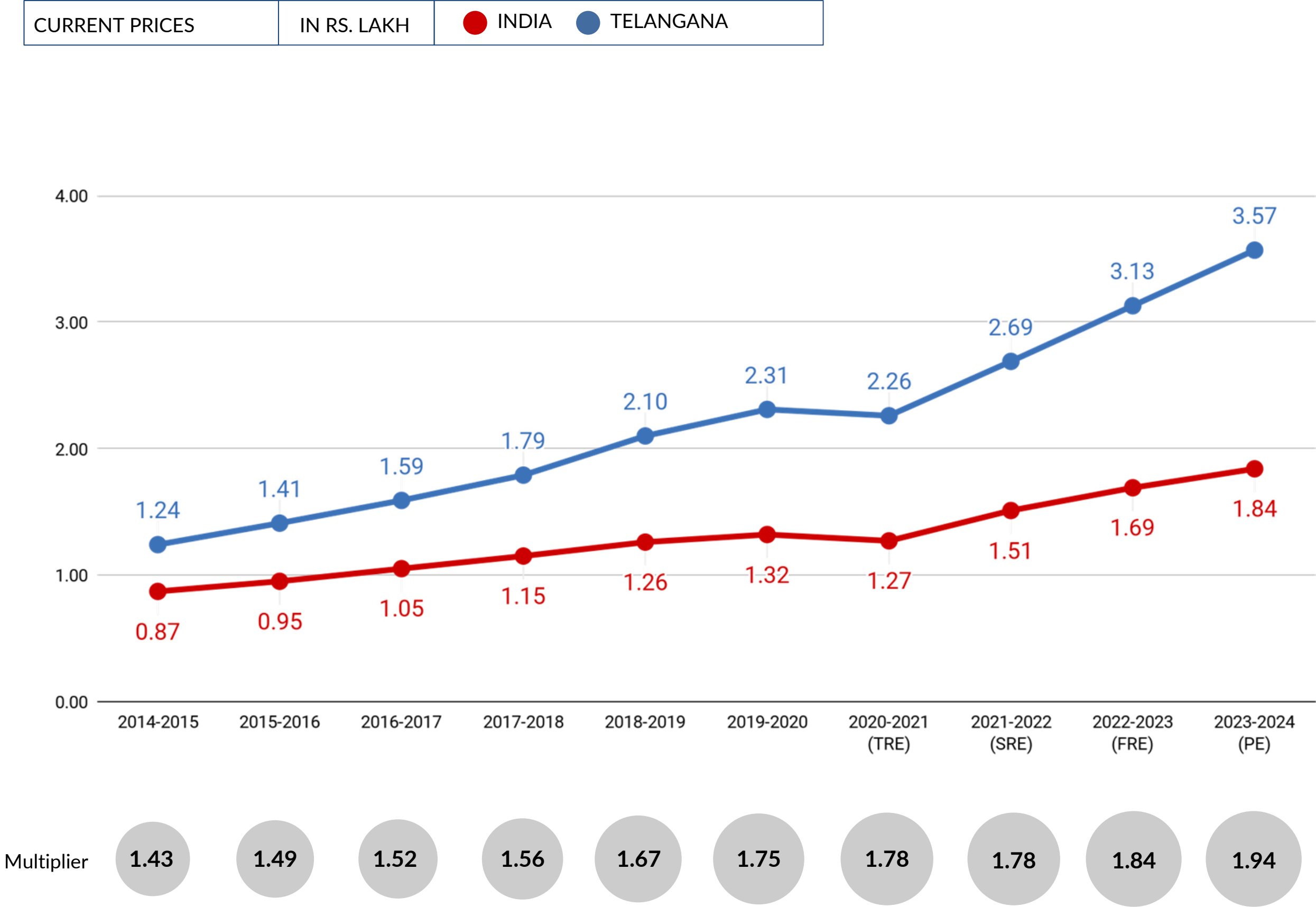
GSVA: Rs. 6.58 lakh crore

Size of Labour Force :1.79 crore



PER CAPITA INCOME

Telangana's per capita income has consistently surpassed India's, with the income gap widening significantly over the years





ECONOMIC ACHIEVEMENTS OF THE STATE

(2014-15 to 2022-23 (PE))

GSDP Growth at Current Prices

Telangana's GSDP growth rate consistently outpaced India's, achieving a CAGR of 12.8%, significantly higher than the national average of 10.1%

1

GSDP Growth at Constant (2011-12) Prices

Telangana surpassed India's GSDP growth in most years, achieving a CAGR of 7.4%, significantly higher than the national average of 5.9%

2

Contribution to National GDP

Telangana's contribution to National GDP at current prices rose from 4.1% in 2014-15 to 5.1% in 2023-24, while its share of the national population averaged just 2.8% during this period

3

Per Capita Income

Telangana's per capita income consistently exceeded India's, with the income gap widening from 1.43 times in 2014-15 to 1.94 times in 2023-24 (PE)

4

Primary Sector Growth at Constant (2011-12) Prices

Telangana's primary sector experienced higher growth than India's, with a CAGR of 5.4% compared to India's 3.5%

5

Secondary Sector Growth at Constant (2011-12) Prices

The growth of Telangana's secondary sector was almost at par with India, with a CAGR of 5.7% compared to India's 5.9%,

6

Tertiary Sector Growth at Constant (2011-12) Prices

Telangana's tertiary sector outpaced India's, with a stronger pandemic recovery and sustained high growth in recent years, achieving a CAGR of 8.1% compared to India's 6.5%

7



PROGRESS MADE BY THE STATE OVER THE PAST DECADE

S.No.	Indicator	Value At/Before State Formation	Value After State Formation	% increase
1	Contracted Power Capacity	7,872 MW (2014-15)	18,756 MW (2022-23)	138.3%
2	Per Capita Power Consumption	1,356 units (2014-15)	2,126 units (2021-22)	56.8%
3	Agricultural Connections	19.03 lakh (2014-15)	27.63 lakh (1 July, 2023)	45.2%
4	Total Road Length	0.92 lakh kms (March, 2014)	1.10 lakh kms (2022-23)	19.8%
5	Rural Households with Piped Water Supply	16.6% (1 April, 2014)	100.0% (22 Sept, 2024)	150.1%
6	Capital Expenditure	Rs. 0.54 lakh crore (2004-05 to 2013-14)	Rs. 2.24 lakh crore (2014-15 to 2023-24 (Prov.))	315.0%
7	Development Expenditure	Rs. 2.42 lakh crore (2004-05 to 2013-14)	Rs.10.27 lakh crore (2014-15 to 2023-24 (Prov.))	424.8%

BUSINESS AND TECHNOLOGICAL INNOVATIONS

Business Innovations for Entrepreneurial Growth

1. **T-Hub** -- World's largest innovation centre
2. **T-Works** – India's largest prototyping centre
3. **WeHub** – India's first incubator for women entrepreneurs

Technological Innovations for Operational Ease of Business

1. **TS-iPASS** – Clearances for setting up of industries provided within 30 days (shortest in the country)
2. **TS-bPASS** – First-of-its-kind system in the country that offers hassle-free building layout approvals online

WELFARE PROGRAMMES FOR INCLUSIVE GROWTH

RAJIV AROGYASRI

- Under the scheme, economically backward sections of the society are provided with free corporate medical treatment in all empanelled hospitals.
- Each family gets Rs. 10 lakh financial coverage for medical treatment.
- It is estimated that 90.10 lakh families below the poverty line will benefit from the scheme.

1

CHEYUTHA

- The scheme provides a comprehensive social safety net to protect various vulnerable sections of society including the elderly, persons with disabilities, widows, impoverished beedi workers, single women and those undergoing dialysis.
- Pension is disbursed to over 43 lakh beneficiaries across all categories every month

2

RYTHU BHAROSA

- The scheme is an investment support programme for genuine and needy farmers.
- The government is contemplating enhancing the assistance from Rs.10,000 to Rs.15,000 per acre per annum for agriculture landholders and tenant farmers.
- Assistance is being for agricultural labourers as well, at Rs.12,000 per acre per annum.

3

WELFARE PROGRAMMES FOR INCLUSIVE GROWTH

MAHALAXMI

- The scheme provides free, unlimited bus travel for women and transgender individuals on various TGRTC buses, aiming to boost access to education, employment, and healthcare.
- Rs. 2,500 monthly financial assistance is provided to women
- LPG cylinders are provided at a subsidised cost of Rs. 500

Outcomes of some of the schemes initiated as of 30th June 2024

- No. of women passengers travelled under Mahalakshmi Scheme : 62.13 crore
- No. of LPG Cylinders distributed at a subsidised rate of Rs. 500/- : 54.75 lakh

4

KALYANA LAXMI

- The scheme provides financial assistance of Rs. 1,00,116/- to unmarried girls (above 18 years of age) at the time of their marriage.
- The aim is to alleviate financial distress within families of SCs/ STs/BCs/EBCs and minorities in the State.
- This scheme also covers all inter-caste marriages.
- In 2023-24, Rs. 1,664.82 crore was disbursed to 1.7 lakh families under the scheme.

5

WELFARE PROGRAMMES FOR INCLUSIVE GROWTH

OVERSEAS SCHOLARSHIPS

- The government provides financial assistance of Rs. 20 lakh to students aspiring to pursue higher education abroad, who belong to marginalised families with an annual income of less than Rs. 5 lakhs.
- The Overseas Scholarships are being provided to SC, ST, BC & EBC, and minority students, with an amount of Rs. 296.19 crore disbursed to 966 students in 2023-24

6

SCHOLARSHIPS

- To reduce the high dropout rates among children from marginalised communities, the govt provides Pre-Matric & Post Matric Scholarships through DBT
- Scholarships amounting to Rs. 505.26 crore were disbursed to 1,42,785 SC students, 1,36,600 ST students, 2,44,766 BC students, and 44,949 minority students in 2023-24

7

DALIT BANDHU

- Telangana Dalit Bandhu offers financial support to SC households for initiating income-generating activities of their choice, addressing the credit constraints faced by SC households.
- A one-time capital assistance of Rs.10 lakh per SC family is provided as 100% grant / subsidy (without bank loan linkage).

8



03

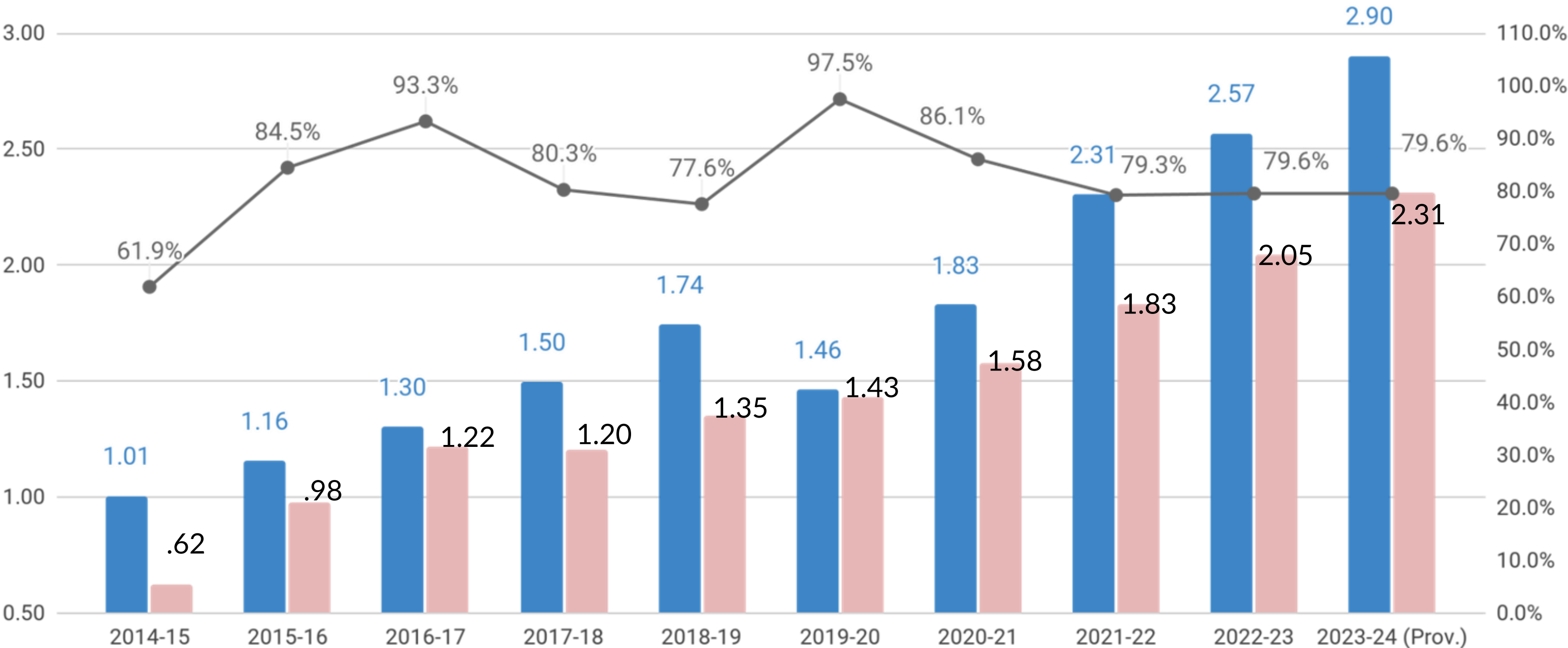
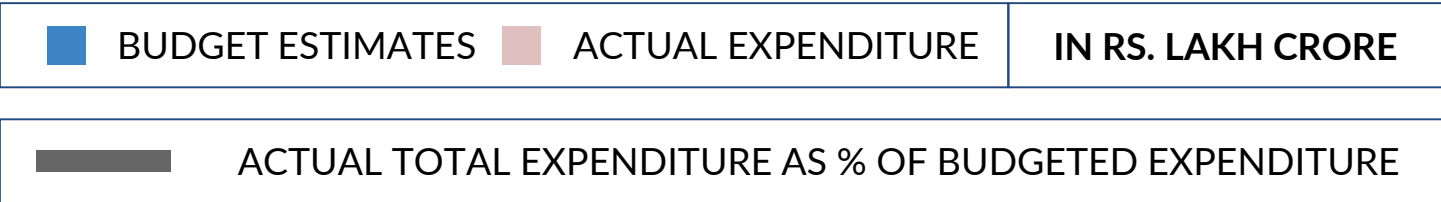
Context & Challenges



UNSUSTAINABLE FINANCES

Poor Fiscal Marksmanship

In the period 2014-15 to 2023-24, Telangana’s actual expenditure, on average, reached only 81.9% of its budget estimates





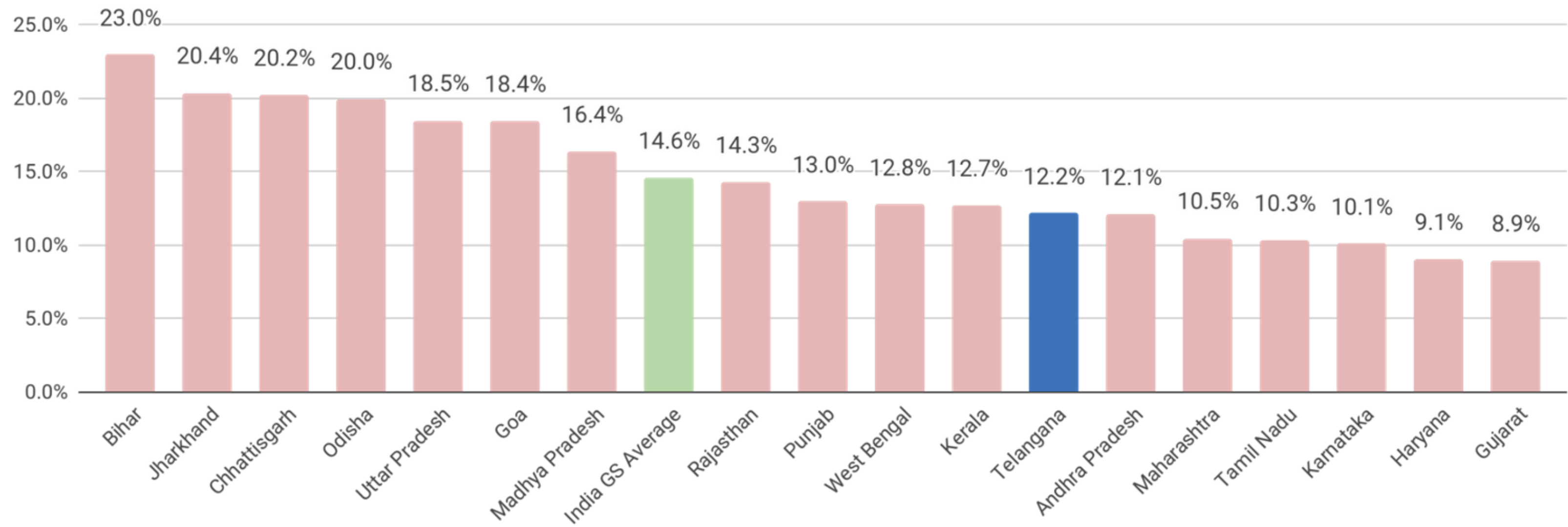
UNSUSTAINABLE FINANCES

Volatile Revenue Receipts Growth & Low Revenue Receipts-To-GSDP Ratio

The State’s revenue receipts experienced significant volatility, with periods of high growth interspersed with stagnation or decline.

Telangana's revenue receipts-to-GSDP ratio was 12.2% in 2022-23, significantly below the India General States average of 14.6%, with only six States performing worse.

Revenue Receipts-to-GSDP ratio (2022-23) - General States





UNSUSTAINABLE FINANCES

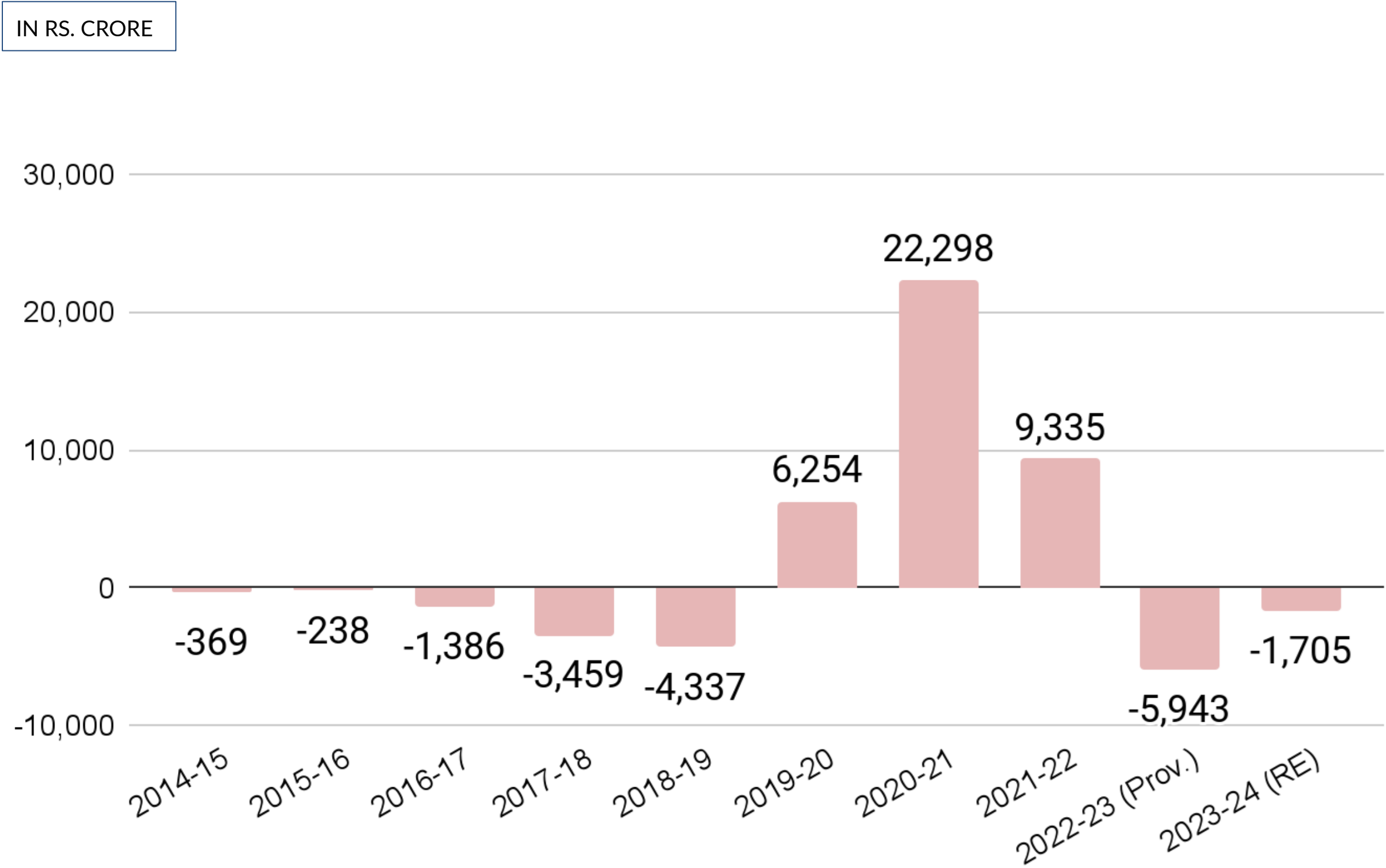
Escalating Revenue Deficit

While the state registered revenue surpluses in the 2014-19 period, it experienced revenue deficits in 2019-22.

There is an understatement of Telangana's revenue and fiscal deficits from 2015 to 2021.

- The Comptroller and Auditor General's State Finance Audit Reports

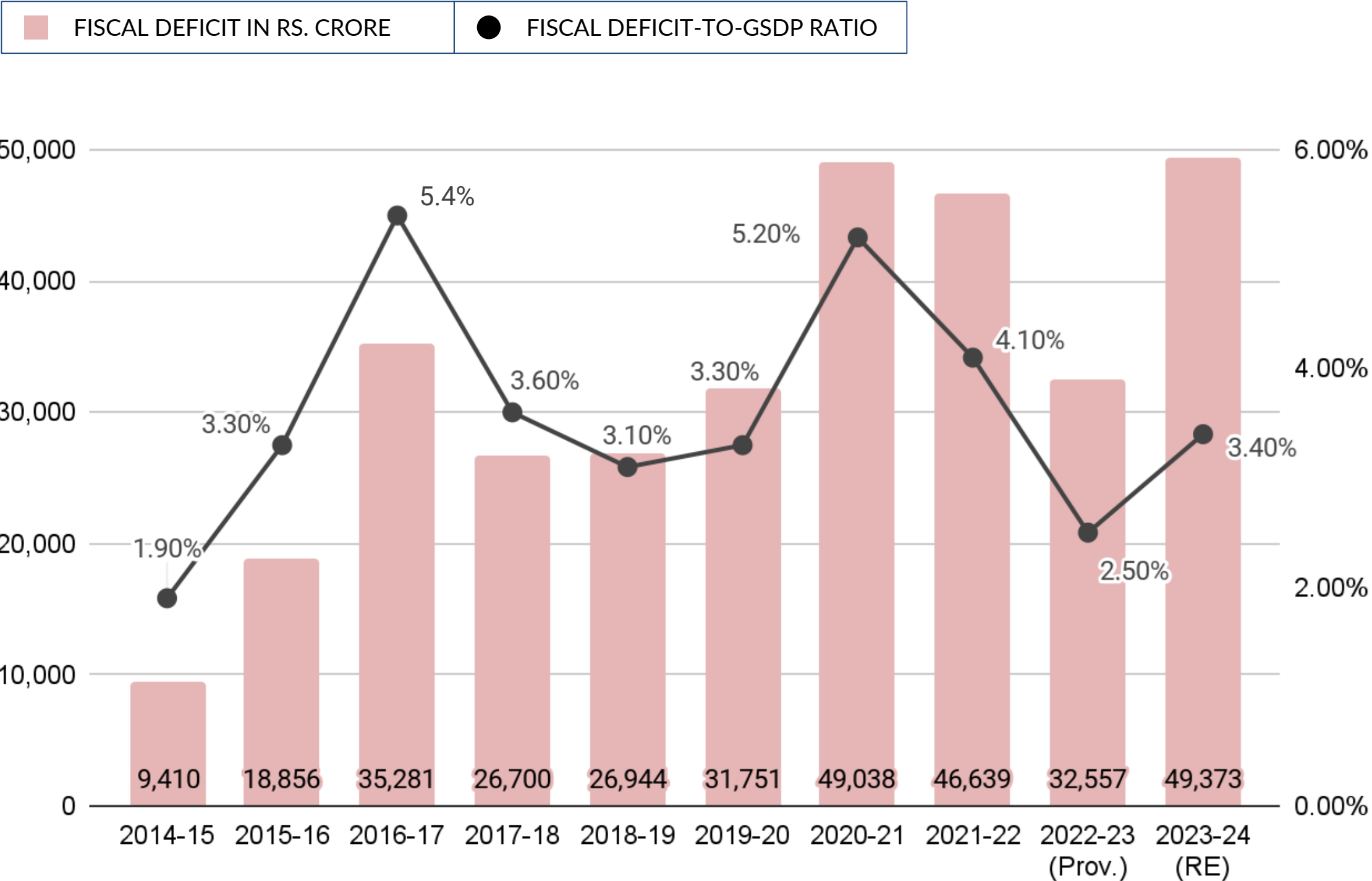
Telangana's Year-wise Revenue Deficit(+)/Surplus (-)



UNSUSTAINABLE FINANCES

Escalating Fiscal Deficit

Telangana's fiscal deficit widened as expenditure outpaced revenue growth.



4.1%
2021-22

Among the worst-performing states in 2021-22 with a high fiscal deficit-to-GSDP ratio

Only Punjab (4.5 per cent) and Kerala (4.9 per cent) had higher FD-to-GSDP ratios, highlighting Telangana's poor performance in managing its fiscal balance compared to other States.

2.5%
2022-23

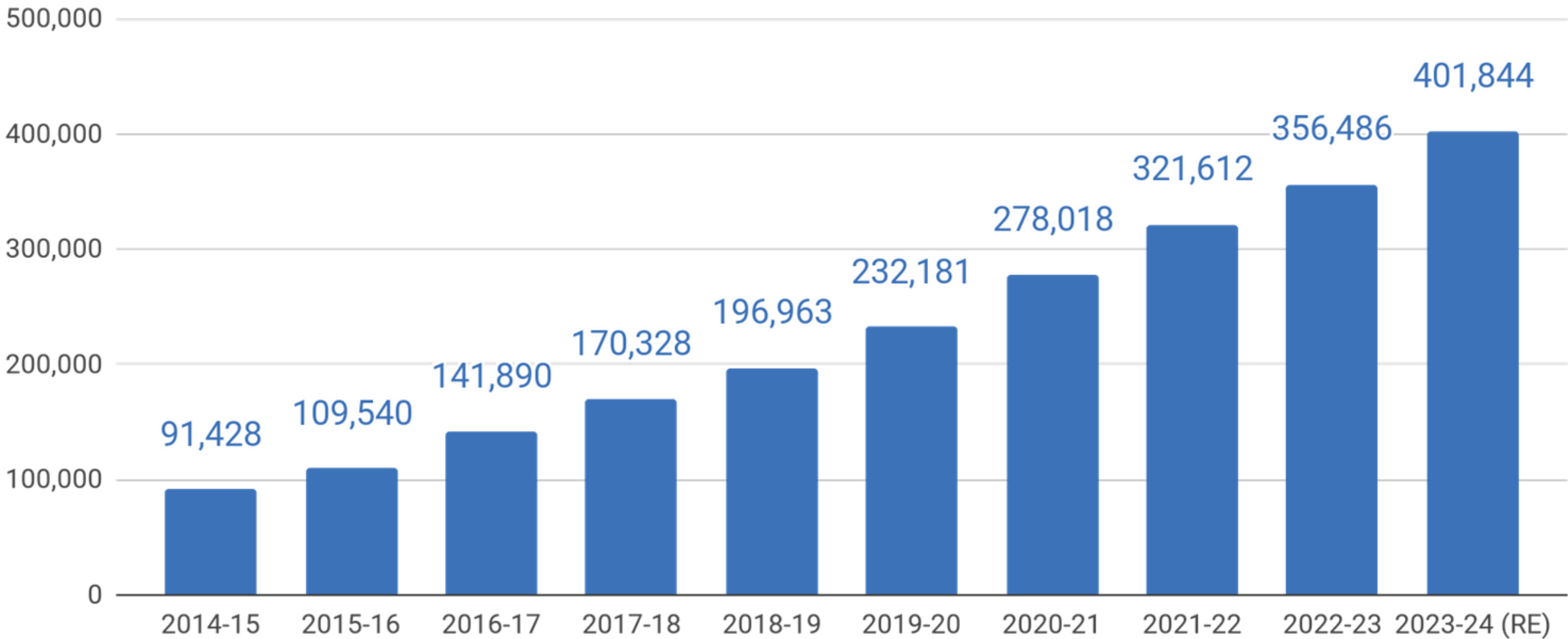
Although the State's FD-to-GSDP ratio improved to 2.5% in 2022-23, it remained significantly higher than Gujarat's, the top-performing State, at 0.8%.

UNSUSTAINABLE FINANCES

Mounting Debt Burden

Telangana’s Year-wise Debt Burden

IN RS. CRORE



To address the growing fiscal gap, Telangana's borrowing escalated, leading to a cycle of borrowing to service existing debt.

Rs. 91,428 crore
2014-15

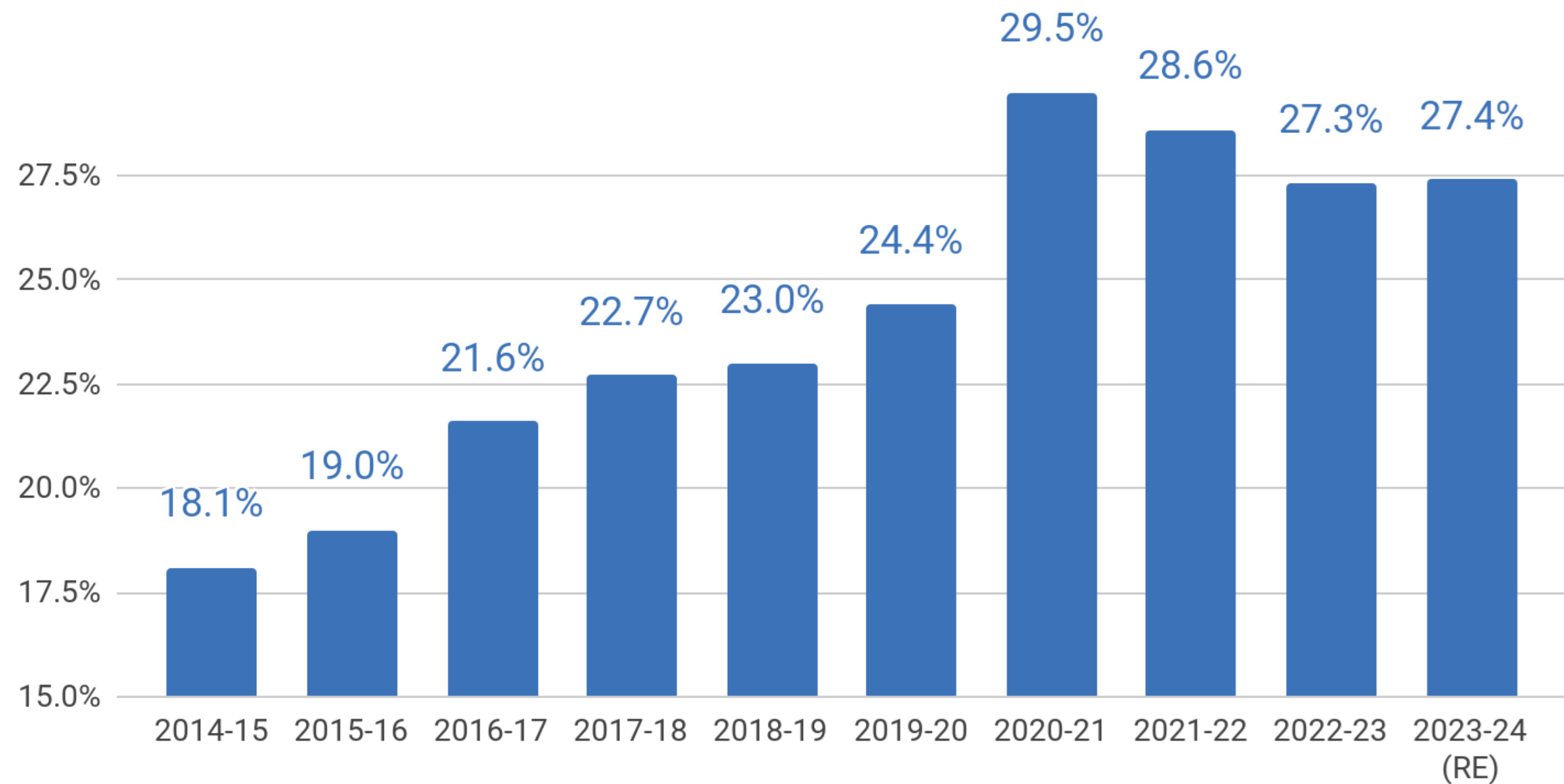
Rs. 4,01,844 crore
2023-24 (RE)

18.0%
Average annual rate of increase on borrowing

UNSUSTAINABLE FINANCES

Mounting Debt Burden

Telangana’s Year-wise Debt-to-GSDP Ratio



State's budgeted debt-to-GSDP ratio rose sharply

18.1%
2014-15

27.4%
2023-24 (RE)



UNSUSTAINABLE FINANCES

Mounting Debt Burden

As on Mar 31, 2024	State Government Loans / Liabilities	Government Guaranteed loans raised by SPVs but serviced by the Government	Government Guaranteed loans raised by SPVs and serviced by them	Non-Guaranteed Loans raised and serviced by SPVs/ Corporations / Institutions	Expenditure Arrears*	TOTAL
Outstanding Debt (in Rs. crore)	4,01,844	1,20,944	99,663	63,140	42,358	7,27,949
Overall debt-to-GSDP ratio for budgeted & off-budget borrowings	27.4%	35.7% Exceeds the FC-XV target of 29.5%	42.5%	46.8%	49.7%	49.7%

Substantive off-budget borrowings for mega infrastructure projects strained the state's finances further as the SPVs were not in a position to pay back the loans, making the government liable for repayment.

In 2021-22, Telangana accounted for 52.9 per cent of the off-budget borrowings made by all States¹

¹Unstarred Question No. 528, Rajya Sabha, February 7, 2023, answered by the Department of Economic Affairs, Ministry of Finance, Government of India

*Values for expenditure arrears are upto 30th August, 2024

UNSUSTAINABLE FINANCES

Increasing Debt Servicing Burden

20.6%

Budgeted debt servicing
burden AAGR

6,954 crore
2014-15

35,856 crore
2023-24 (Prov.)

66.8%

Off-budget borrowings
surged at an alarming AAGR

300 crore
2014-15

24,825 crore
2023-24 (Prov.)

14.2%

2014-15

35.9%

2023-24 (Prov)

Debt servicing burden as a share
of total revenue receipts has risen
sharply.

This leaves limited fiscal space for
other essential expenditures.

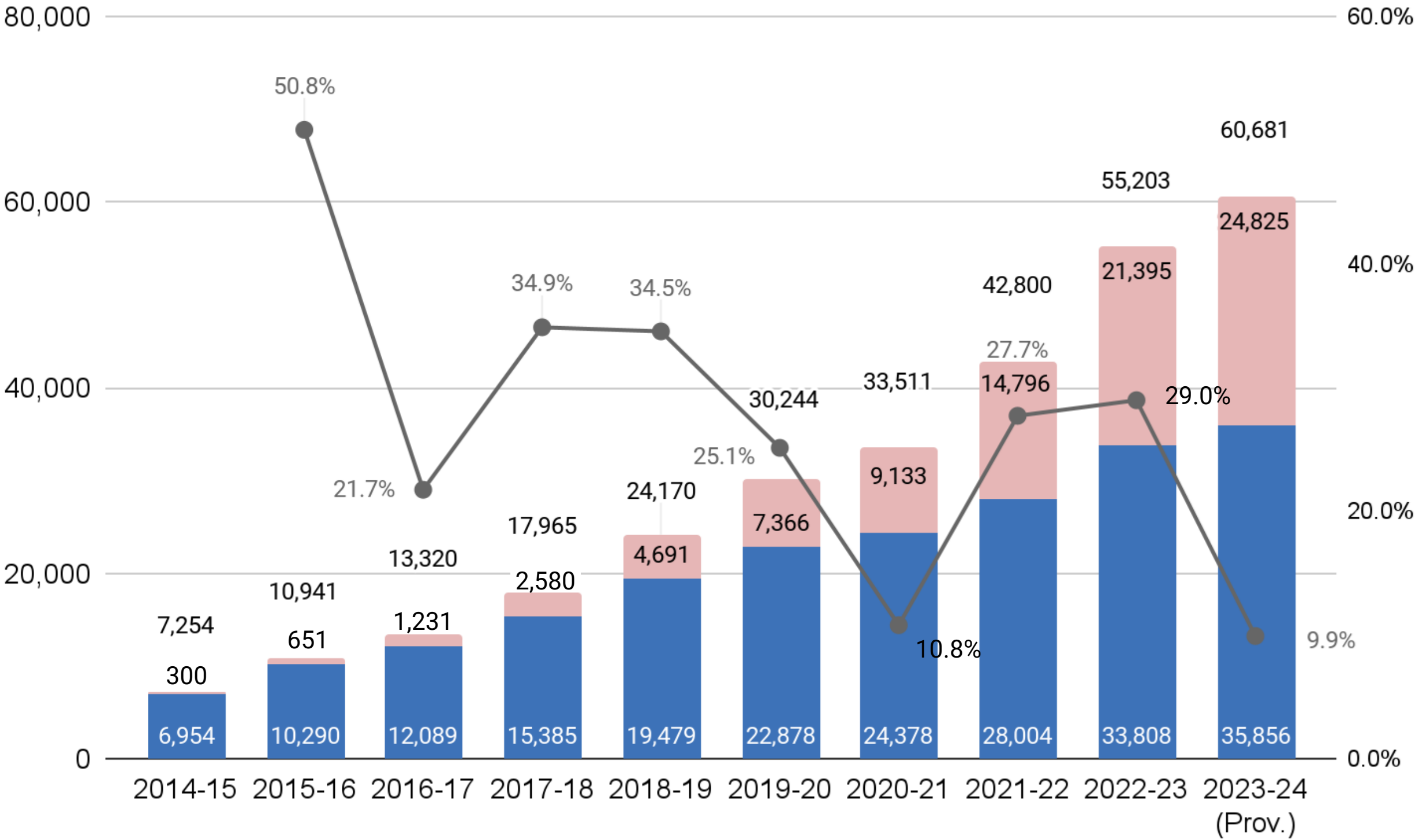
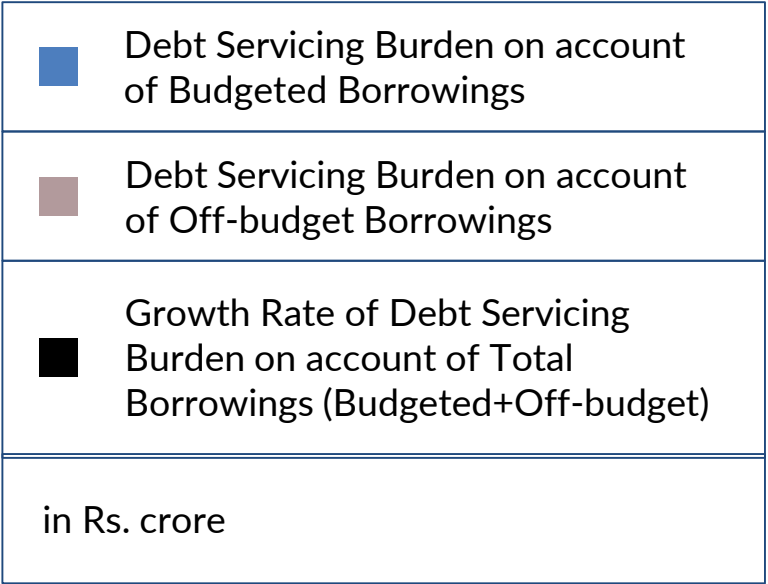
10.75 to 11.25%

Range of interest rates

High-interest loans taken by State-
backed corporations exacerbated
the financial strain as the
government had to eventually
service these loans.

UNSUSTAINABLE FINANCES

Increasing Debt Servicing Burden



UNSUSTAINABLE FINANCES

Ongoing Works & Capital Expenditure

Works Agreements since State formation	39,175 Works Agreements	24 Departments	
Monetary Commitments	3,49,843 crore Value	1,89,903 crore Spent till Dec 4, 2023	1,59,940 crore Required to be spent
Funds required for completion of pending works	86,957 crore Budgetary provision required in future financial years	72,983 crore Additional borrowings needed from financial institutions	

UNSUSTAINABLE FINANCES

High Maintenance Cost of Projects Undertaken

Spiralling Costs And Unsustainable Maintenance Expenses Of Past Projects

Ambitious infrastructure projects undertaken in the past added to the fiscal burden, with spiraling costs and unsustainable maintenance expenses weighing heavily on the State's finances.

Reduced Benefit-To-Cost Ratio

Significant escalation in project costs has resulted in the reduction of their benefit-to-cost ratio.

For instance, the cost escalation of the Kaleshwaram irrigation project led to a reduction in BCR from 0.75 to 0.52 -- every rupee spent on the project would yield only 52 paise.

Ex: Increase In Kaleshwaram Irrigation Project Cost - Rs.81,911 crore To Rs.1,47,427 crore

The cost increased significantly from the initially projected cost.

Additionally, the project requires operational expenditure of Rs. 10,647.26 crore per annum, and depreciation on project works would amount to Rs. 2,760.92 crore per annum.

UNSUSTAINABLE FINANCES

Surge In Expenditure On Salaries & Pensions

Extension of retirement age from 58 to 61 in 2021

The previous government's extension of retirement age has created a deferred fiscal challenge, delaying immediate pension and gratuity expenses but leading to a surge in retirements since March 2024.

46,995 government employees expected to retire in the next 5 years

Each retiring employee would be eligible for retirement benefits ranging from Rs. 50 lakh to Rs. 2 crore, significantly impacting the State's finances.

Pending pay revision since July 2023

This will further strain the State's budget, exacerbating the financial pressure from increased retirement costs and reducing fiscal space for social welfare and economic growth initiatives.

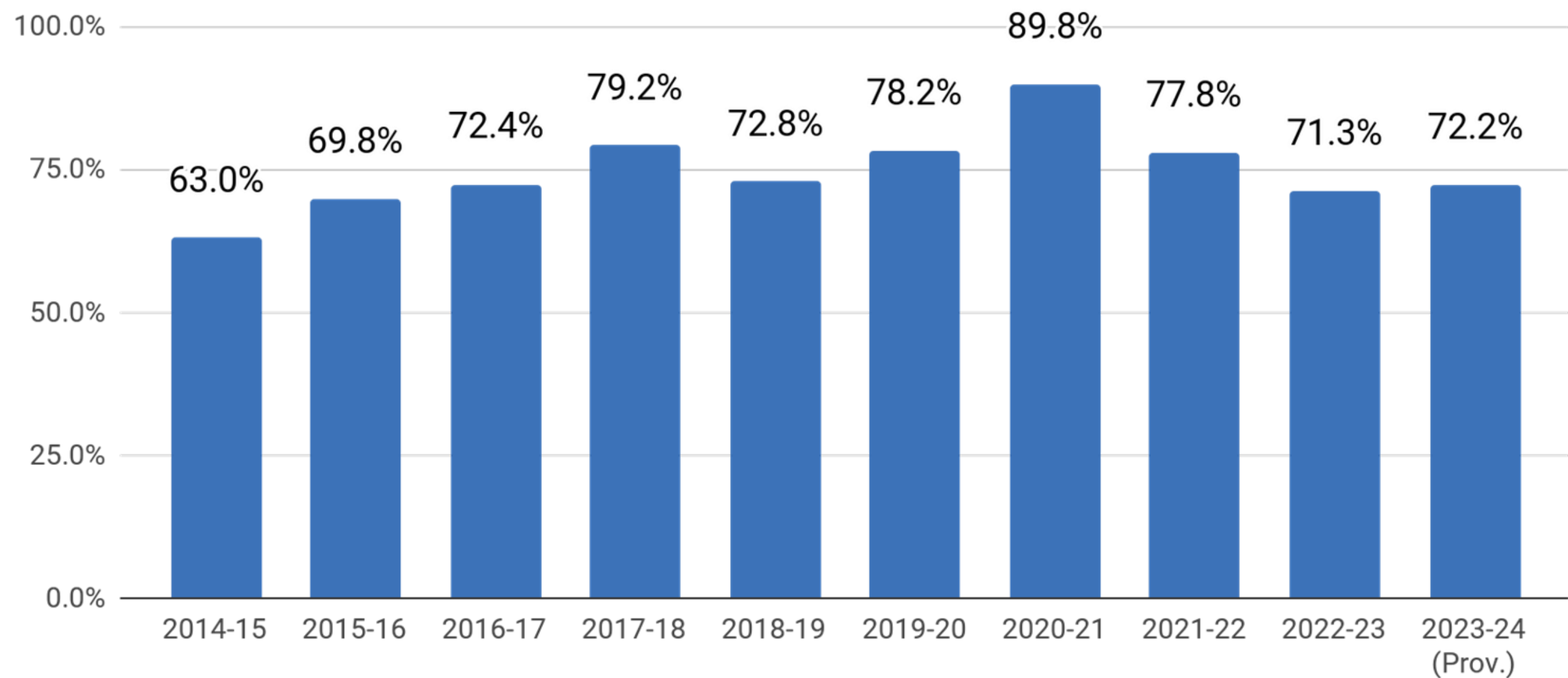
35.92% of State revenue receipts spent on salaries & pensions in 2023-24 (Prov.)

This burden is expected to go up drastically as a compounded effect of all the issues highlighted.

UNSUSTAINABLE FINANCES

High Committed Expenditure Burden

Share of Total Committed Expenditure in the State's Own Revenue - Telangana



Salaries and pensions, and interest payments on account of budgeted and off-budget borrowings collectively consumed:

63.0% of SOR
2014-15

89.8% of SOR
2020-21

72.2% of SOR
2023-24 (Prov.)

The persistently high level remains a cause for concern.



UNSUSTAINABLE FINANCES

Other Factors

Targeting failures and inclusion errors in welfare programs

Misdirected expenditure under welfare programs has led to diversion of resources away from those who need them the most.	EX: RYTHU BANDHU, KHARIF 2018 TO KHARIF 2023	72,813.13 crore Total Amount disbursed	15,622.63 crore Amount disbursed to landowners with uncultivated land
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Increasing Reliance on Ways and Means Advances

Growing reliance on short-term borrowing has inflated interest payments, worsening the financial situation.	Utilisation of the Overdraft facility increased dramatically	Normal WMA usage rose significantly
	5 to 121 days FROM 2017-18 to 2023-24	34 to 154 days FROM 2016-17 to 2023-24



PERFORMANCE ON DEVELOPMENTAL INDICATORS

Despite good performance on growth indicators, Telangana has performed poorly on social indicators, particularly in the areas of health, nutrition, and education

NUTRITION CONCERNS IN CHILDREN UNDER 5

	NFHS-4	RANKING (OF 28 STATES)	NFHS-5	RANKING (OF 28 STATES)
STUNTED	28.0%	7	33.1%	16
WASTED	18.1%	14	21.7%	22
UNDERWEIGHT	28.4%	12	31.8%	19

The prevalence of stunted, wasted, and underweight children in Telangana aged under five has increased significantly.

ANAEMIA IN CHILDREN & PREGNANT WOMEN

	NFHS-4	RANKING (OF 28 STATES)	NFHS-5	RANKING (OF 28 STATES)
CHILDREN (6-59 MONTHS)	60.7%	18	70.0%	23
PREGNANT WOMEN (15-49 YEARS)	48.2%	16	53.2%	18

This increase indicates a concerning health situation.

PERFORMANCE ON DEVELOPMENTAL INDICATORS

Despite good performance on growth indicators, Telangana has performed poorly on social indicators, particularly in the areas of health, nutrition, and education

ADULT FEMALE LITERACY (15-49 YEARS)

RANKED

33 of 36

States & Union Territories
with a literacy rate of 66.64% compared to the national average of 71.46%

- National Family Health Survey, Round V

SCHOOL EDUCATION SYSTEM PERFORMANCE

RANKED

31 of 36

States & Union Territories

- Performance Grading Index of the Ministry of Education

GENDER DISPARITIES & HIGH UNEMPLOYMENT IN THE LABOUR MARKET

The underutilisation of the female workforce poses a significant threat to the State's economic growth

Labour force participation in the 15-59 age category

WOMEN

50.4%

MEN

81.8%

Labour force participation in educated persons aged 15 and above

Diploma /
certificate holders
Graduates

WOMEN

23.4%

39.5%

MEN

95.8%

89.4%

Unemployment rates among educated females are alarmingly high

Particularly in rural areas -
100% unemployment
reported for female
postgraduates – highest
among all states and UTs

NARROWING DEMOGRAPHIC DIVIDEND WINDOW

Projected Population Percentage by Age-group in Telangana

Age-group	2011-12	2016-17	2021-22	2026-27	2031-32	2036-37
0-14	27.0%	23.8%	21.5%	19.7%	18.0%	16.2%
15-59	63.7%	66.1%	67.5%	67.8%	67.4%	66.7%
60+	9.2%	10.1%	11.0%	12.5%	14.5%	17.1%

Median Age of the Population in Telangana and India

Year	2011-12	2016-17	2021-22	2026-27	2031-32	2036-37
Telangana	26.7	28.9	31.2	33.6	36.1	38.6
India	24.9	26.6	28.3	30.3	32.4	34.5

GROWTH CENTRED IN A FEW URBAN CENTRES

Telangana's impressive economic growth is largely driven by the dynamism of its capital, Hyderabad

GROWTH IS HEAVILY CONCENTRATED

4 districts account for more than 50% of the state's GDSP (2022-23)

- Rangareddy
- Hyderabad
- Medchal Malkajgiri
- Sangareddy

STARK INEQUALITIES EXIST IN PER CAPITA INCOMES (PCI) ACROSS DISTRICTS

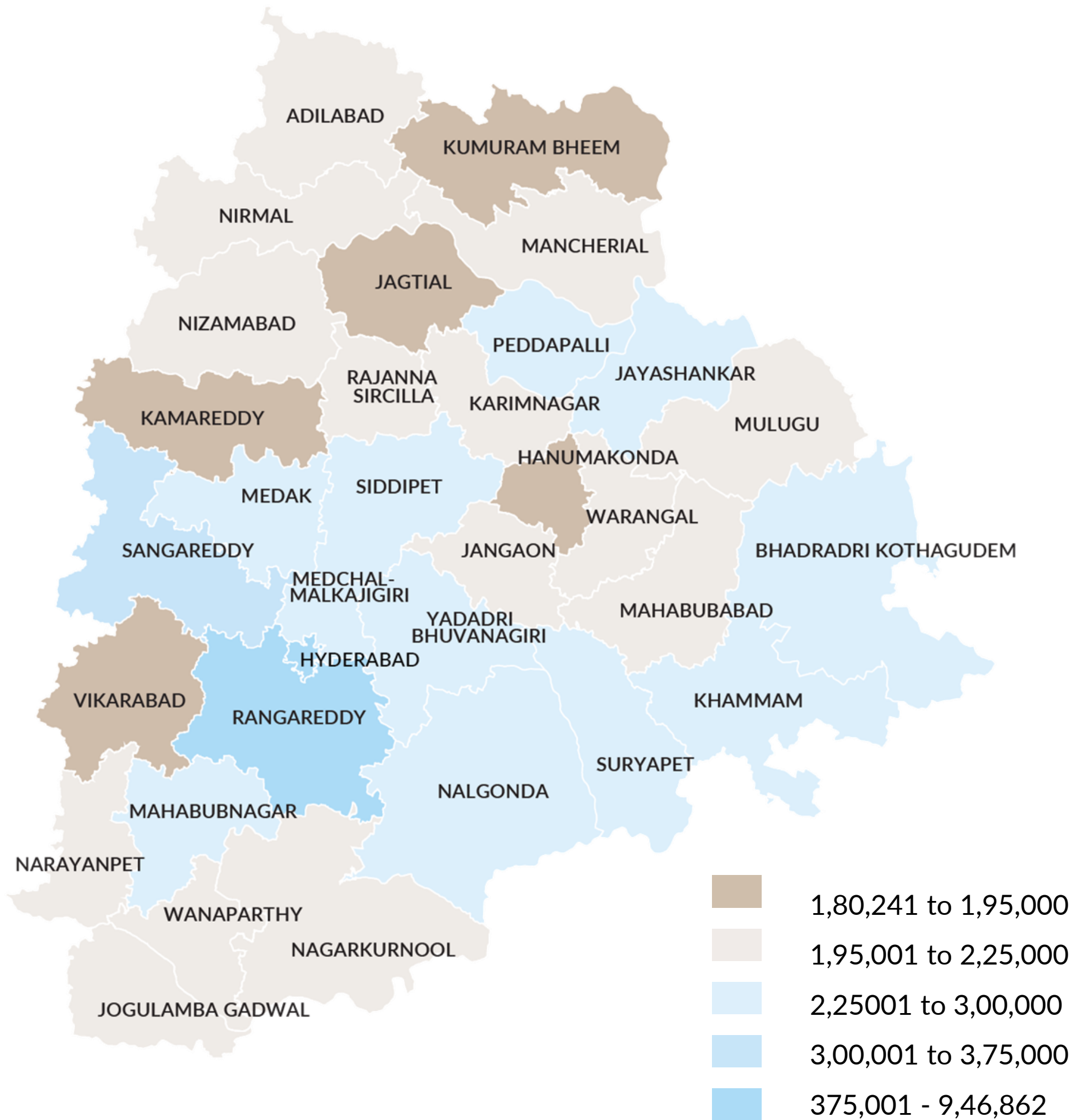
Rangareddy is leading at Rs. 9.47 lakh, while Vikarabad is lagging far behind at only Rs. 1.80 lakh, less than a fifth of Rangareddy's PCI

RISKS OF GROWTH CENTRALISATION

- Widening the urban-rural gap
- Limiting development in other regions of Telangana
- Potentially hindering a balanced and inclusive economic landscape.

GROWTH CENTRED IN A FEW URBAN CENTRES

District	Per Capita Income (2022-23)	District	Per Capita Income (2022-23)
Rangareddy	9,46,862	Jangaon	2,17,277
Hyderabad	4,94,033	Nagarkurnool	2,10,915
Sangareddy	3,22,394	Wanaparth	2,09,390
Medchal-Malkajiri	2,95,514	Nirmal	2,03,326
Jayashankar	2,71,555	Adilabad	2,03,283
Yadadri Bhuvanagiri	2,67,605	Mahabubabad	1,99,588
Bhadradri Kothagudem	2,64,408	Jogulamba Gadwal	1,98,553
Nalgonda	2,62,330	Mulugu	1,97,539
Mahabubnagar	2,61,346	Narayanpet	1,97,020
Medak	2,55,263	Nizamabad	1,96,898
Khammam	2,44,647	Rajanna Siricilla	1,95,479
Siddipet	2,35,218	Kamareddy	1,92,329
Peddapalli	2,31,766	Hanumakonda	1,86,784
Suryapet	2,31,041	Jagtial	1,83,094
Warangal	2,22,640	Kumuram Bheem	1,81,825
Karimnagar	2,22,628	Vikarabad	1,80,241
Mancherial	2,19,601	State Average	3,12,522



INITIATIVES OF THE GOVERNMENT TO ADDRESS THE CRISIS

RESCUING AND REVITALISING TELANGANA'S IRRIGATION INFRASTRUCTURE

The Government is prioritising the completion of irrigation projects and implementing a robust maintenance program to revitalise its irrigation infrastructure, ensuring maximum benefits for the agricultural sector and rural communities.

1

MEASURES FOR BOOSTING EMPLOYMENT & LABOUR FORCE PARTICIPATION

Initiatives to improve labour force participation of women and equip youth for the workforce have been undertaken.

- Free bus travel scheme – Mahalaxmi
- Young India Skill University in PPP mode
- Upgradation of Industrial Training Institutes to Advanced Technology Centres in partnership with Tata Technologies

2

EDUCATION REFORMS

Working to revitalise its education system, The Government has

- Initiated a major teacher recruitment drive
- Appointment of vice-chancellors is being undertaken
- Invested in infrastructure upgrades

3

INITIATIVES OF THE GOVERNMENT TO ADDRESS THE CRISIS

Governance Reforms: Bridging the Government – Citizens Gap

PRAJA PALANA

The initiative promotes direct citizen engagement and streamlines service delivery, with 956 centres established statewide to address grievances and simplify access to social welfare programs.

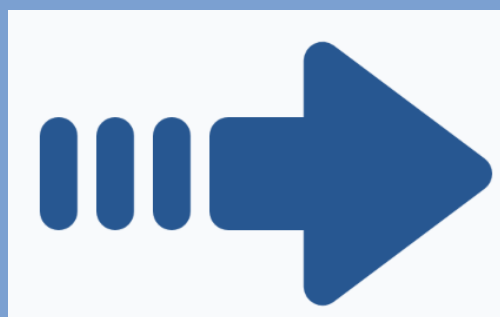
4

PRAJA VANI

The initiative enhances government accountability by providing a robust, multi-channel public grievance redressal system with dedicated support for vulnerable groups.

5

04



Way Forward

FISCAL CONSOLIDATION ROADMAP



Non-Reliance on Off-Budget Borrowings

State Government has decided to undertake fiscal management within FRBM limits.



Negotiating with Financial Institutions

Rural Electrification Corporation and Power Finance Corporation have disbursed loans amounting to Rs.1,64,134 crore for irrigation projects and DISCOMs at interest rates in the range of 9.00% - 11.85%

The state is actively negotiating with financial institutions to lower borrowing costs and extend repayment periods.



Guarantees for PSUs

Guarantees will only be extended to PSUs with sufficient cash flow to service their own debt.

FISCAL CONSOLIDATION ROADMAP

Resource Mobilization

The government is actively seeking to increase its resource base through asset monetisation, strengthening of PSUs, plugging revenue leakages, and expanding the tax base.

GST Irregularities

A significant initiative has been to address loopholes in the GST system. Rigorous audits uncovered massive GST irregularities of over Rs. 2,000 crore.

Property Valuation Review

Review of property valuations for registration is under consideration to align official land values with market prices.

Expenditure Rationalisation

Expenditure rationalisation is being undertaken through better targeting of welfare programmes.

PARTNERSHIP WITH THE WORLD BANK FOR SUSTAINABLE GROWTH



Focus Areas

Skill Development, Urban
Rejuvenation, Net-Zero
Developments, Healthcare and
Diagnostics



Funding Sought for Projects

Funding sought at low-interest rates

for the following projects:

- Musi River Rejuvenation
- Skill University
- Future City
- Citizen Healthcare
- Hyderabad 4.0



Thank you!