

# Telangana Budget Analysis 2022-23

The Finance Minister of Telangana, Mr. T. Harish Rao, presented the Budget for the state for the financial year 2022-23 on March 7, 2022.

## Budget Highlights

- The **Gross State Domestic Product (GSDP)** of the state for 2022-23 (at current prices) is projected to be Rs 13.04 lakh crore. This is a growth of 13% over the revised estimate of GSDP for 2021-22 (Rs 11.54 lakh crore). In 2021-22, GSDP is estimated to grow at 19.1% over the previous year (at current prices).
- **Expenditure (excluding debt repayment)** in 2022-23 is estimated to be Rs 2,45,257 crore, a 22% increase over the revised estimates of 2021-22 (Rs 2,00,943 crore). In addition, debt of Rs 11,702 crore will be repaid by the state in 2022-23. In 2021-22, expenditure (excluding debt repayment) is estimated to be 9% lower than the budget estimate.
- **Receipts (excluding borrowings)** for 2022-23 are estimated to be Rs 1,93,089 crore, an increase of 24% over the revised estimates of 2021-22 (Rs 1,56,177 crore). In 2021-22, receipts (excluding borrowings) are estimated to be 11% lower than the budget estimate (Rs 1,76,177 crore).
- **Fiscal deficit** for 2022-23 is targeted at Rs 52,167 crore (4% of GSDP). In 2021-22, as per the revised estimates, fiscal deficit is expected to be 3.88% of GSDP, lower than the budget estimate of 3.94% of GSDP.
- **Revenue surplus** for 2022-23 is estimated to be 0.29% of the GSDP (Rs 3,755 crore). In 2021-22, the state is estimated to observe a revenue surplus of 0.38% of GSDP, lower than the budget estimate of 0.58% of GSDP.

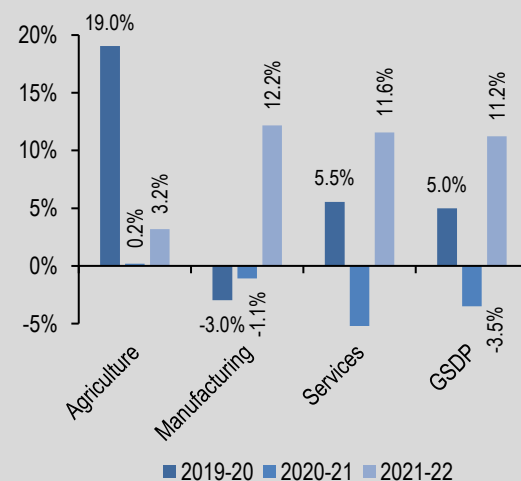
## Policy Highlights

- **Education:** The state's first women university will be established. An outlay of Rs 100 crore has been proposed for the same. Over the next two years, medical colleges will be established in all districts.
- **Healthcare:** Super specialty hospitals will be established in all four parts of Hyderabad. These institutions will be collectively known as Telangana Institutions of Medical Sciences. To improve sanitation in hospitals, wages paid to sanitary workers will be increased.
- **Social security:** From next financial year, the age limit for Aasara pension (old age pension scheme) will be reduced from 65 years to 57 years.

## Telangana's Economy

- **GSDP:** Telangana's GSDP (at constant prices) is estimated to grow at 11.2% in 2021-22. In comparison, national GDP is estimated to grow at 8.9% in 2021-22. In 2021-22, the manufacturing and services sectors of Telangana are estimated to grow at 12.2% and 11.6%, respectively.
- **Sectors:** In 2021-22, at current prices, agriculture, manufacturing, and services sectors are estimated to contribute 21%, 17%, and 61% of the economy, respectively.
- **Per capita GSDP:** The per capita GSDP of Telangana in 2021-22 (at current prices) is estimated to be Rs 3,05,389; 18% higher than the corresponding figure in 2020-21 (Rs 2,57,894). In comparison, the per capita GDP at the national level is estimated to be Rs 1,72,761 (at current prices) in 2021-22.

**Figure 1: Growth in GSDP and sectors in Telangana at constant (2011-12) prices**



Note: These numbers are as per constant (2011-12) prices which implies that the growth rate is adjusted for inflation.

Sources: Ministry of Statistics and Programme Implementation; PRS.

## Budget Estimates for 2022-23

- **Expenditure (excluding debt repayment)** in 2022-23 is targeted at Rs 2,45,257 crore. This is an increase of 22% over the revised estimate of 2021-22 (Rs 2,00,943 crore). This expenditure is proposed to be met through **receipts (excluding borrowings)** of Rs 1,93,089 crore and **net borrowings** of Rs 47,970 crore. Receipts (excluding borrowings) for 2022-23 are expected to register an increase of 24% over the revised estimate of 2021-22. In 2021-22, receipts are estimated to be 11% lower than the budget estimates.
- In 2022-23, the state is estimated to observe a **revenue surplus** of Rs 3,755 crore, which is 0.29% of its GSDP. In comparison, in 2021-22, the state is expected to observe a revenue surplus of 0.38% of GSDP as per the revised estimates (Rs 4,395 crore).
- **Fiscal deficit** in 2022-23 is estimated to be 4% of GSDP which is equal to the limit of 4% of GSDP permitted by the central government as per the Union Budget 2022-23 (of which, 0.50% of GSDP will be made available upon undertaking power sector reforms). In 2021-22, the state has estimated a fiscal deficit of 3.88% of GSDP, lower than the limit of 4.5% of GSDP permitted by the central government (of which, 0.50% of GSDP becomes available upon undertaking power sector reforms).

**Table 1: Budget 2022-23 - Key figures (in Rs crore)**

Items	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	% change from BE 2021-22 to RE 2021-22	2022-23 Budgeted	% change from RE 2021-22 to BE 2022-23
Total Expenditure	2,27,001	2,30,826	2,10,083	-9%	2,56,959	22%
(-) Repayment of debt	76,991	9,139	9,139	0%	11,702	28%
<b>Net Expenditure (E)</b>	<b>1,50,011</b>	<b>2,21,687</b>	<b>2,00,943</b>	<b>-9%</b>	<b>2,45,257</b>	<b>22%</b>
Total Receipts	2,17,559	2,25,477	2,05,477	-9%	2,52,761	23%
(-) Borrowings	1,16,586	49,300	49,300	0%	59,672	21%
<b>Net Receipts (R)</b>	<b>1,00,973</b>	<b>1,76,177</b>	<b>1,56,177</b>	<b>-11%</b>	<b>1,93,089</b>	<b>24%</b>
<b>Fiscal Deficit (E-R)</b>	<b>49,038</b>	<b>45,510</b>	<b>44,766</b>	<b>-2%</b>	<b>52,167</b>	<b>17%</b>
as % of GSDP	5.06%	3.94%	3.88%		4.00%	
<b>Revenue Balance*</b>	<b>-22,298</b>	<b>6,743</b>	<b>4,395</b>	<b>-35%</b>	<b>3,755</b>	<b>-15%</b>
as % of GSDP	-2.30%	0.58%	0.38%		0.29%	
<b>Primary Deficit</b>	<b>32,196</b>	<b>27,925</b>	<b>27,182</b>	<b>-3%</b>	<b>33,255</b>	<b>22%</b>
as % of GSDP	3.32%	2.42%	2.35%		2.55%	

Note: \*Negative sign indicates a deficit, positive sign indicates a surplus. BE is Budget Estimates; RE is Revised Estimates. Total expenditure in 2020-21 includes eight crore rupees towards inter-state settlement.

Sources: Telangana Budget Documents 2022-23; Telangana Economic Survey 2021-22; PRS.

## Expenditure in 2022-23

- **Revenue expenditure** in 2022-23 is estimated to be Rs 1,89,275 crore, which is an increase of 25% over the revised estimate of 2021-22 (Rs 1,51,732 crore). This expenditure includes the payment of salaries, pensions, interest, and subsidies. In 2021-22, as per the revised estimates, revenue expenditure is estimated to be 10% lower than the budget estimate.
- **Capital outlay** in 2022-23 is estimated to be Rs 29,728 crore, which is an increase of 15% over the revised estimate of 2021-22. Capital outlay comprises expenditure towards creation of assets. This includes expenditure on building schools, hospitals, and roads and bridges. In 2021-22, capital outlay is estimated to be 11% lower than the budget estimate.

### Actual Expenditure in 2020-21

In 2020-21, the actual expenditure (excluding debt repayment) by the state was Rs 1,50,003 crore, 15% less than the budget estimate of Rs 1,76,393 crore. While receipts (excluding borrowings) were Rs 42,229 crore less than the budget estimate, net borrowings were Rs 10,617 crore higher. The state ended up observing a fiscal deficit of 5.06% of GSDP as against the budget estimate of 3% of GSDP. Note that in 2020-21, the centre allowed states to increase their fiscal deficit from 3% of GSDP to 4% of GSDP. Another 1% of GSDP was available for states implementing four specified reforms. Actual spending in sectors such as Housing, Urban development, and Agriculture and allied activities was 94%, 71%, and 30% less than budget estimates, respectively. See Annexure 2 for details.

**Table 2: Expenditure Budget 2022-23 (in Rs crore)**

Items	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	% change from BE 2021-22 to RE 2021-22	2022-23 Budgeted	% change from RE 2021-22 to BE 2022-23
Revenue Expenditure	1,23,212	1,69,383	1,51,732	-10%	1,89,275	25%
Capital Outlay	15,922	29,047	25,955	-11%	29,728	15%
Loans given by the state	10,868	23,256	23,256	0%	26,253	13%
<b>Net Expenditure</b>	<b>1,50,003</b>	<b>2,21,687</b>	<b>2,00,943</b>	<b>-9%</b>	<b>2,45,257</b>	<b>22%</b>

Sources: Telangana Budget Documents 2022-23; PRS.

**Committed expenditure:** Committed expenditure of a state typically includes expenditure on payment of salaries, pensions, and interest. Allocation of a large portion of the budget towards committed expenditure items limits the state's flexibility to decide on other expenditure priorities such as developmental schemes and capital outlay. Estimation for allocation towards salaries in 2022-23 is not available. As per revised estimates of 2021-22, Telangana is estimated to spend Rs 54,895 crore on committed expenditure items, which is **35% of its revenue receipts**. This comprises spending on salaries (14% of revenue receipts), pension (6%), and interest payments (9%). On average, states spend 55% of their revenue receipts on committed expenditure (as per 2021-22 budget estimates). In 2022-23, the state is estimated to spend 6% of its revenue receipts on pension and 10% on interest payments.

**Table 3: Committed Expenditure in 2022-23 (in Rs crore)**

Heads	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	% change from BE 2021-22 to RE 2021-22	2022-23 Budgeted	% change from RE 2021-22 to BE 2022-23
Salaries	25,107	-	26,479			
Pension	13,599	10,831	10,831	0%	11,385	5%
Interest	16,841	17,584	17,584	0%	18,912	8%
<b>Total Committed Expenditure</b>	<b>55,548</b>	<b>-</b>	<b>54,895</b>	<b>-</b>	<b>-</b>	<b>-</b>

Sources: Telangana Budget Documents 2022-23; PRS.

**Sector-wise expenditure:** The sectors listed below account for **69%** of the total expenditure on sectors by the state in 2022-23. A comparison of Telangana's expenditure on the key sectors with that by other states is shown in Annexure 1.

**Table 4: Sector-wise expenditure under Telangana Budget 2022-23 (in Rs crore)**

Sector	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	2022-23 Budgeted	% change from RE 2021- 22 to BE 2022- 23	Budget Provisions 2022-23 BE
Welfare of SC, ST, OBC, and Minorities	9,078	15,729	17,637	31,427	78%	<ul style="list-style-type: none"> <li>Dalit Bandhu scheme has been allocated Rs 17,700 crore.</li> </ul>
Agriculture and allied activities	17,808	26,822	23,312	27,228	17%	<ul style="list-style-type: none"> <li>Rs 14,800 crore has been allocated to Rythu Bandhu Scheme.</li> <li>Rs 4,000 crore has been allocated to debt relief to farmers</li> </ul>
Social Welfare and Nutrition	15,957	18,997	17,872	18,602	4%	<ul style="list-style-type: none"> <li>Rs 9,947 crore has been allocated towards the Asara pensions.</li> </ul>
Education, Sports, Arts, and Culture	12,744	13,498	13,509	16,043	19%	<ul style="list-style-type: none"> <li>Rs 4,868 crore and Rs 4,434 crore have been allocated as assistance to local bodies for primary education and secondary education, respectively.</li> </ul>
Health and Family Welfare	6,005	5,868	5,868	10,954	87%	<ul style="list-style-type: none"> <li>Rs 822 crore has been allocated towards the National Health Mission.</li> <li>Rs 2,000 crore has been allocated towards construction of medical colleges and super specialty hospitals.</li> </ul>
Irrigation and Flood Control	8,715	7,979	7,979	10,946	37%	<ul style="list-style-type: none"> <li>Rs 9,958 crore has been allocated towards the capital outlay on irrigation and flood control.</li> </ul>
Energy	9,984	10,663	10,663	10,625	0%	<ul style="list-style-type: none"> <li>Rs 7,665 crore has been allocated towards assistance to the Transmission Corporation of Telangana Limited for subsidy to agricultural consumers.</li> </ul>
Police	6,040	6,049	6,049	8,764	45%	<ul style="list-style-type: none"> <li>District police has been allocated Rs 3,864 crore.</li> </ul>
Rural Development	7,873	6,728	7,228	8,557	18%	<ul style="list-style-type: none"> <li>Rs 1,460 crore has been allocated towards the MGNREGS scheme.</li> </ul>
Roads and Bridges	1,587	5,187	5,187	7,089	37%	<ul style="list-style-type: none"> <li>Rs 4,472 crore has been allocated towards the capital outlay on roads and bridges.</li> </ul>
<b>% of total expenditure on all sectors</b>	<b>69%</b>	<b>59%</b>	<b>65%</b>	<b>69%</b>	<b>6%</b>	

Sources: Telangana Budget Documents 2022-23; PRS.

## Receipts in 2022-23

- **Total revenue receipts** for 2022-23 are estimated to be Rs 1,93,029 crore, an increase of 24% over the revised estimate of 2021-22. Of this, Rs 1,33,634 crore (69%) will be raised by the state through its **own resources** (tax and non-tax revenue), and Rs 59,396 crore (31%) will come **from the centre**. Resources from the centre will be in the form of state's share in central taxes (10% of revenue receipts) and grants (21% of revenue receipts).
- **Devolution:** In 2022-23, the state estimates to receive Rs 18,394 crore in the form of share in central taxes, an increase of 31% over the revised estimates of 2021-22.
- **Grants from central government:** Grants from the government are estimated to increase by 43% over the revised estimates of 2021-22. Note that 2021-22 revised estimates are 85% more than the 2020-21 actual figures for grants from central government. This is mainly on account of funds estimated as "Special Package and Additional Central Assistants" grant. In 2022-23, the state has estimated to receive Rs 25,555 crore in the form of these grants. In 2021-22, the state has estimate to receive Rs 15,105 crore on account of this special package grant.
- **State's own tax revenue:** In 2022-23, total own tax revenue of the state is estimated to be Rs 1,08,212 crore, an increase of 16% over the revised estimate of 2021-22. State's own tax revenue as a percentage of GSDP is estimated to increase from 6.8% of GSDP in 2020-21 (as per actuals) to 8.2% of GSDP in 2022-23 (as per budget estimate). This implies that tax revenue is estimated to grow at a higher rate than GSDP.
- **State's own non-tax revenue:** In 2022-23, the state is estimated to earn Rs 25,422 crore in the form of state's own non-tax revenue, a 13% increase over the revised estimates of 2021-22. Of this, Rs 15,500 crore is estimated to come from sale of land and property. In 2021-22, state's own non-tax revenue is estimated to register a decrease of 33% over the budget estimate. In 2021-22, the state had estimated non-tax revenue of Rs 5,002 crore from the housing sector at the budget stage, which has been revised down to Rs 1.73 lakh.

**Table 5: Break-up of the state government's receipts (in Rs crore)**

Items	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	% change from BE 2021-22 to RE 2021-22	2022-23 Budgeted	% change from RE 2021-22 to BE 2022-23
State's Own Tax	66,650	92,910	92,910	0%	1,08,212	16%
State's Own Non-Tax	6,101	30,557	20,557	-33%	25,422	24%
Share in Central Taxes	12,692	13,990	13,990	0%	18,394	31%
Grants from Centre	15,471	38,669	28,669	-26%	41,002	43%
<b>Revenue Receipts</b>	<b>1,00,914</b>	<b>1,76,127</b>	<b>1,56,127</b>	<b>-11%</b>	<b>1,93,029</b>	<b>24%</b>
Non-debt Capital Receipts	58	50	50	0%	60	20%
<b>Net Receipts</b>	<b>1,00,973</b>	<b>1,76,177</b>	<b>1,56,177</b>	<b>-11%</b>	<b>1,93,089</b>	<b>24%</b>

Note: BE is Budget Estimates; RE is Revised Estimates.

Sources: Telangana Budget Documents 2022-23; PRS.

- In 2022-23, **SGST** is estimated to be the largest source of own tax revenue (33%). SGST revenue in 2022-23 is estimated at Rs 36,203 crore, which is a 17% increase over the revised estimates of 2021-22. In 2021-22 as per revised estimates, SGST revenue is estimated to be same as the budget estimate. While the budget has not estimated a back-to-back loan in-lieu of GST compensation in 2021-22, as per Union Ministry of Finance, Telangana has received Rs 2,380 crore as GST compensation loan in 2020-21 and Rs 4,569 crore in 2021-22.
- In 2022-23, revenue from both sales tax/VAT and stamp duty and registration fees is expected to increase by 25% over revised estimates of 2021-22. Sales tax/VAT is the second largest source of own tax revenue after SGST in 2022-23 (30% of own tax revenue).

**Table 6: Major sources of state's own-tax revenue (in Rs crore)**

Head	2020-21 Actuals	2021-22 Budgeted	2021-22 Revised	% change from BE 2021-22 to RE 2021-22	2022-23 Budgeted	% change from RE 2021-22 to BE 2022-23
State GST	22,190	31,000	31,000	0%	36,203	17%
Sales Tax/ VAT	20,904	26,500	26,500	0%	33,000	25%
State Excise	14,370	17,000	17,000	0%	17,500	3%
Stamp Duty and Registration Fees	5,243	12,500	12,500	0%	15,600	25%
Taxes on Vehicles	3,338	5,000	5,000	0%	4,953	-1%
Land Revenue	1	6	6	0%	7	6%
Taxes and Duties on Electricity	20	30	30	0%	32	5%
GST Compensation Grants	-	-	-	-	-	-
GST Compensation Loans	2,380	-	-	-	-	-

Sources: Telangana Budget Documents 2022-23; PRS.

## Deficits and Debt Targets for 2022-23

The Telangana Fiscal Responsibility and Budget Management (FRBM) Act, 2005 provides annual targets to progressively reduce the outstanding liabilities, revenue deficit, and fiscal deficit of the state government.

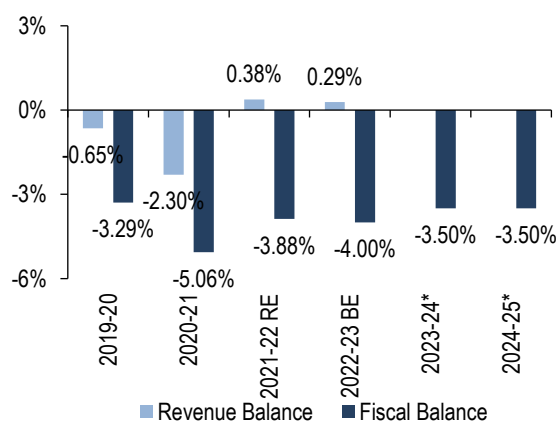
**Revenue Balance:** It is the difference of revenue expenditure and revenue receipts. A revenue deficit implies that the government needs to borrow to finance its expenses which do not increase its assets or reduces its liabilities. In 2022-23, Telangana is estimated to observe a revenue surplus of Rs 3,755 crore, which is 0.29% of the GSDP. According to revised estimates, Telangana is expected to have a revenue surplus of Rs 4,395 crore (0.38% GSDP) in 2021-22. In 2020-21, the state observed a revenue deficit of Rs 22,298 crore (2.30% of GSDP).

**Fiscal deficit:** It is the excess of total expenditure over total receipts. This gap is filled by borrowings by the government and leads to an increase in total liabilities of the state government. In 2022-23, the fiscal deficit is estimated to be Rs 52,167 crore (4% of GSDP). It is equal to the limit of 4% of GSDP permitted by the central government in 2022-23 as per the Union Budget (of which, 0.5% of GSDP will be made available upon undertaking power sector reforms). As per the revised estimates, in 2021-22, the fiscal deficit of the state is expected to be 3.88% of GSDP, which is less than the budget estimate of 3.94% of GSDP. It is within the 4.5% limit permitted by the central government for 2021-22 (of which, 0.5% of GSDP becomes available upon undertaking power sector reforms). As per the FRBM statements presented along with the budget, the state's fiscal deficit is targeted at 3.50% of GSDP in 2023-24 and 2024-25.

For states, the 15<sup>th</sup> Finance Commission recommended the fiscal deficit limit (as % of GSDP) of: (i) 4% in 2021-22, (ii) 3.5% in 2022-23, and (iii) 3% during 2023-26. Further, extra annual borrowing worth 0.5% of GSDP will be allowed to states for four years (2021-25) upon undertaking power sector reforms. These reforms include Direct Benefit Transfer to farmers, reduction in technical and commercial losses of discoms, and reduction in revenue gap. In his budget speech, the Finance Minister stated that Telangana will not be undertaking reforms in the power sector as required by the central government for additional borrowing.

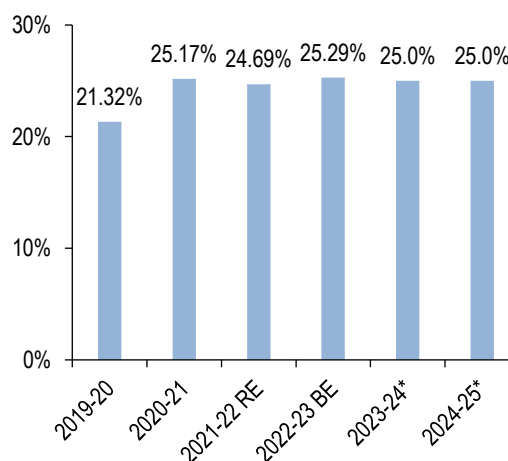
**Outstanding liabilities:** Outstanding liabilities is the accumulation of total borrowings at the end of a financial year, it also includes any liabilities on public account. Outstanding liabilities are set to rise from 21.32% of GSDP in 2019-20 to 25.29% of GSDP in 2022-23.

**Figure 2: Revenue and Fiscal Balance (% of GSDP)**



Note: RE: Revised Estimates; BE: Budget Estimates. A positive figure means a surplus, a negative figure means a deficit. \*Figures for 2023-24 and 2024-25 are projections.  
Sources: Telangana Budget Documents 2022-23; PRS.

**Figure 3: Outstanding Liabilities (% of GSDP)**



Note: RE: Revised Estimates; BE: Budget Estimates. \*Figures for 2023-24 and 2024-25 are projections.  
Sources: Telangana Budget Documents 2022-23; PRS.

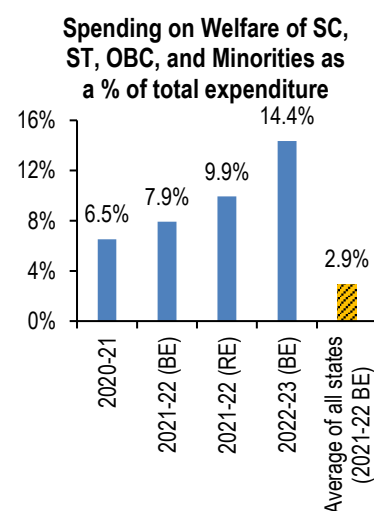
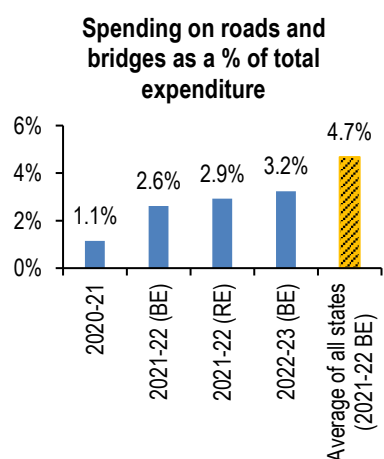
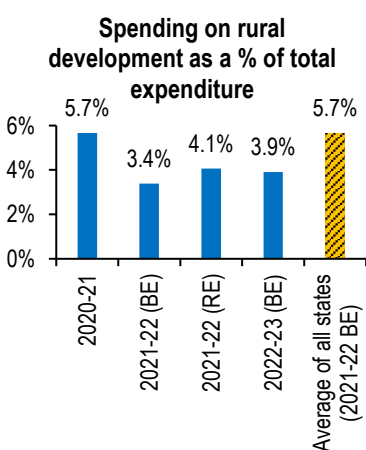
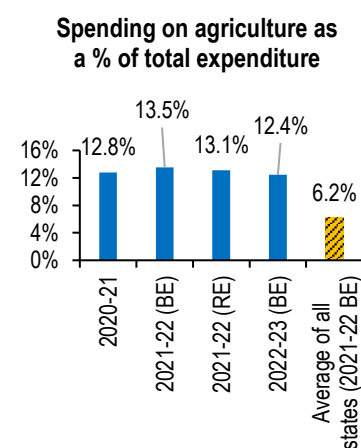
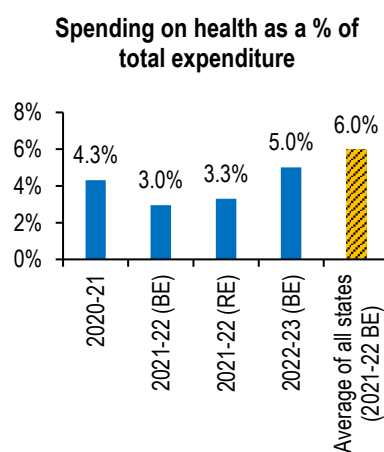
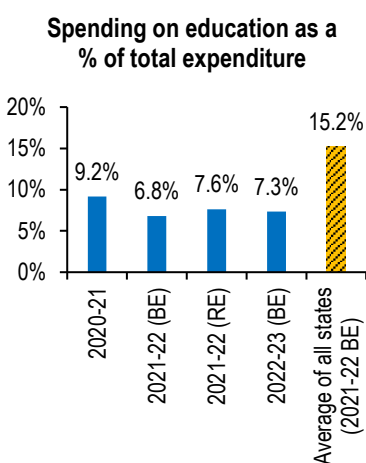
**Outstanding Government Guarantees:** Outstanding liabilities of states do not include a few other liabilities that are contingent in nature, which states may have to honour in certain cases. State governments guarantee the borrowings of State Public Sector Enterprises (SPSEs) from financial institutions. At the end of 2021-22, the outstanding guarantee of the state is estimated to be 11.7% of GSDP, higher than 10.8% of GSDP at the end of 2020-21. Note that as of 2019-20, outstanding guarantee given by states was around 3.3% of their GSDP. The state's FRBM Act stipulates to limit the amount of annual incremental risk weighted guarantees to 200% of the total revenue receipts in the year preceding the current year. Telangana's guarantees are within these limits.

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## Annexure 1: Comparison of states' expenditure on key sectors

The graphs below compare Telangana's expenditure on six key sectors as a proportion of its total expenditure on all sectors. The average for a sector indicates the average expenditure in that sector by 30 states (including Telangana) as per their budget estimates of 2021-22.<sup>1</sup>

- **Education:** Telangana has allocated 7.3% of its total expenditure for education in 2022-23. This is lower than the average allocation (15.2%) for education by all states (as per 2021-22 Budget Estimates).
- **Health:** Telangana has allocated 5.0% of its total expenditure on health, which is lower than the average allocation for health by states (6%).
- **Agriculture:** The state has allocated 12.4% of its total expenditure towards agriculture and allied activities. This is twice than the average allocation for agriculture by states (6.2%).
- **Rural development:** Telangana has allocated 3.9% of its expenditure on rural development. This is lower than the average allocation for rural development by states (5.7%).
- **Roads and bridges:** Telangana has allocated 3.2% of its total expenditure on roads and bridges, which is lower than the average allocation by states (4.7%).
- **Welfare of SC, ST, OBC, and Minorities:** Telangana has allocated 14.4% of its total expenditure on the same, which is significantly higher than the average expenditure by states (2.9%).



Note: BE: Budget Estimates; RE: Revised Estimates; 2020-21, 2021-22 (BE), 2021-22 (RE), and 2022-23 (BE) figures are for Telangana. Sources: Telangana Budget Documents 2022-23; various state budgets; PRS.

<sup>1</sup> The 30 states include the Union Territory of Delhi and Union Territory of Jammu and Kashmir.

## Annexure 2: Comparison of 2020-21 Budget Estimates and Actuals

The following tables compare the actuals of 2020-21 with budget estimates for that year.

**Table 7: Overview of Receipts and Expenditure (in Rs crore)**

Particular	2020-21 BE	2020-21 Actuals	% change from BE to Actuals
<b>Net Receipts (1+2)</b>	<b>1,43,202</b>	<b>1,00,973</b>	<b>-29%</b>
1. Revenue Receipts (a+b+c+d)	1,43,152	1,00,914	-30%
a. Own Tax Revenue	85,300	66,650	-22%
b. Own Non-Tax Revenue	30,600	6,101	-80%
c. Share in central taxes	16,727	12,692	-24%
d. Grants-in-aid from the Centre	10,525	15,471	47%
Of which GST compensation grants	0	0	
2. Non-Debt Capital Receipts	50	58	17%
3. Borrowings	35,500	1,16,586	228%
Of which GST compensation loan	0	2,380	-
<b>Net Expenditure (4+5+6)</b>	<b>1,76,393</b>	<b>1,50,003</b>	<b>-15%</b>
4. Revenue Expenditure	1,38,670	1,23,212	-11%
5. Capital Outlay	22,061	15,922	-28%
6. Loans and Advances	15,662	10,868	-31%
7. Debt Repayment	6,521	76,991	1081%
Revenue Balance	4,482	-22,298	-597%
<b>Revenue Balance (as % of GSDP)</b>	<b>0.41%</b>	<b>-2.30%</b>	
Fiscal Deficit	33,191	49,038	48%
<b>Fiscal Deficit (as % of GSDP)</b>	<b>3.00%</b>	<b>5.06%</b>	

Note: A negative revenue balance indicates a deficit. BE: Budget Estimates.

Sources: Telangana Budget Documents of various years; PRS.

**Table 8: Key Components of State's Own Tax Revenue (in Rs crore)**

Sector	2020-21 BE	2020-21 Actuals	% change from BE to Actuals
Land Revenue	7	1	-93%
Stamps Duty and Registration Fees	10,000	5,243	-48%
Sales Tax/VAT	26,400	14,370	-46%
Taxes and Duties on Electricity	33	20	-38%
Taxes on Vehicles	4,300	3,338	-22%
SGST	27,600	22,190	-20%
State Excise Duty	16,000	20,904	31%

Note: BE: Budget Estimates.

Sources: Telangana Budget Documents of various years; PRS.

**Table 9: Allocation towards Key Sectors (in Rs crore)**

Sector	2020-21 BE	2020-21 Actuals	% change from BE to Actuals
Housing	10,591	600	-94%
Urban Development	13,053	3,816	-71%
Agriculture and allied activities	25,305	17,808	-30%
Welfare of SC, ST, OBC, and Minorities	10,756	9,078	-16%
Social Welfare and Nutrition	17,387	15,957	-8%
Energy	10,111	9,984	-1%
Water Supply and Sanitation	1,719	1,788	4%
Health and Family Welfare	5,666	6,005	6%
Education, Sports, Arts, and Culture	11,897	12,744	7%
Police	5,461	6,040	11%
Transport	1,943	2,209	14%
of which Roads and Bridges	1,314	1,587	21%
Rural Development	6,038	7,873	30%
Irrigation and Flood Control	4,704	8,715	85%

Note: BE: Budget Estimates.

Sources: Telangana Budget Documents of various years; PRS.