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తెలంగాణ రాజపత్రము  
**THE TELANGANA GAZETTE**  
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**TELANGANA BILLS**  
**TELANGANA LEGISLATIVE ASSEMBLY**

The following Bill was introduced in the Telangana Legislative Assembly on 10th September, 2020.

**L. A. BILL No. 14 OF 2020.**

**A BILL FURTHER TO AMEND THE TELANGANA  
FISCAL RESPONSIBILITY AND BUDGET  
MANAGEMENT ACT, 2005.**

Be it enacted by the Legislature of the State of Telangana in the Seventy-first Year of the Republic of India, as follows:-

1. (1) This Act may be called the Telangana Fiscal Responsibility and Budget Management (Amendment) Act, 2020.

Short title  
and  
commence-  
ment.

[1]

B. 42-1 (NG)

(2) It shall be deemed to have come into force with effect from the 1st January 2020.

Amend-  
ment of  
Section 9.  
(Act No.  
34 of 2005)

2. In the Telangana Fiscal Responsibility and Budget Management Act, 2005, in section 9, in sub-section (2),-

(i) in clause (b) after the existing proviso the following proviso shall be inserted , namely,-

“Provided further that, for the financial year 2019-20, additional fiscal deficit of Rs.1435 crore shall be permissible over and above 3.25% of the GSDP as a one-time special dispensation and for the financial year 2020-21 additional fiscal deficit of 2% over and above 3% of the GSDP (upto 5% of GSDP) shall be permissible.”;

(ii) in clause (d) for the expression “90 percent” substitute “200 percent”;

Repeal of  
Ordinance  
No.3 of  
2020.

3. The Telangana Fiscal Responsibility and Budget Management (Amendment) Ordinance, 2020 is hereby repealed.

**STATEMENT OF OBJECTS AND REASONS**

Whereas, due to shortfall in the devolution of share of Central Taxes, the State of Telangana has been allowed an additional borrowing of Rs.1435 Crores during the financial year 2019-20 over and above the normal fiscal deficit limit as a one-time special dispensation and whereas, there has been an unprecedented adverse impact on the State revenues during the financial year 2020-21 on account of COVID-19 pandemic and the related lockdown, even while there is a requirement of additional resources to meet the unforeseen expenditure in connection with the COVID-19 relief operations and, hence, there is a need to augment the revenues of the State Government and accordingly, Government of India have allowed additional borrowing upto 2% of GSDP over and above the normal limit of 3% (upto 5% of GSDP) during the financial year 2020-21, subject to carrying out the necessary amendments to the Telangana Fiscal Responsibility and Budget Management Act, 2005.

To enable the State Government to avail the allowed additional borrowing of Rs. 1435 Crores, it has become necessary to amend the Telangana Fiscal Responsibility and Budget Management Act, 2005 suitably.

As the Legislature of the State was not then in session having been prorogued, and to achieve the above objectives with immediate effect the Governor have promulgate the Telangana Fiscal Responsibility and Budget Management (Amendment) Ordinance, 2020 on the 29th June, 2020. (Telangana Ordinance No. 3 of 2020).

This Bill seeks to replace the above Ordinance.

**T. HARISH RAO,**  
Minister for Finance.

**MEMORANDUM UNDER RULE 95 OF THE RULES OF  
PROCEDURE AND THE CONDUCT OF BUSINESS IN THE  
TELANGANA LEGISLATIVE ASSEMBLY.**

The Telangana Fiscal Responsibility and Budget Management (Amendment) Bill, 2020, after it is passed by the Legislature of the State may be submitted to the Governor for her assent under article 200 of the Constitution of India.

**T. HARISH RAO,**  
Minister for Finance.

**Dr. V. NARASIMHA CHARYULU,**  
Secretary to State Legislature.