

GSDP (Constant) growth comparison

Rank	State	2018-19
1	Puducherry	16.43%
2	Tripura	11.06%
3	Bihar	10.86%
4	Madhya Pradesh	9.28%
5	Telangana	9.15%
6	Mizoram	9.10%
7	Gujarat	8.88%
8	Jharkhand	8.87%
9	Haryana	8.74%
10	Chhattisgarh	7.98%
11	Kerala	7.37%
12	Odisha	7.09%
13	Arunachal Pradesh	7.04%
14	Tamil Nadu	7.01%
15	Himachal Pradesh	6.40%
16	West Bengal	6.35%
17	Andaman & Nicobar Islands	6.23%
18	Karnataka	6.17%
19	Punjab	5.76%
20	Sikkim	5.38%
21	Andhra Pradesh	5.36%
22	Meghalaya	5.12%
23	Assam	5.06%
24	Chandigarh	4.87%
25	Maharashtra	4.46%
26	Delhi	4.30%
27	Uttar Pradesh	3.88%
28	Uttarakhand	2.83%
29	Nagaland	2.60%
30	Rajasthan	2.37%
31	Goa	0.78%
32	Manipur	-2.61%

Rank	State	2019-20
1	Arunachal Pradesh	14.85%
2	Manipur	10.20%
3	Nagaland	9.54%
4	Haryana	7.99%
5	Gujarat	6.95%
6	Andhra Pradesh	6.89%
7	Karnataka	6.21%
8	West Bengal	6.13%
9	Madhya Pradesh	5.95%
10	Andaman & Nicobar Islands	5.81%
11	Rajasthan	5.70%
12	Telangana	5.40%
13	Chhattisgarh	5.12%
14	Meghalaya	5.08%
15	Sikkim	4.66%
16	Bihar	4.43%
17	Assam	4.18%
18	Punjab	4.10%
19	Himachal Pradesh	4.09%
20	Chandigarh	4.08%
21	Uttar Pradesh	3.91%
22	Delhi	3.89%
23	Maharashtra	3.60%
24	Tripura	3.56%
25	Goa	3.30%
26	Tamil Nadu	3.25%
27	Odisha	2.91%
28	Kerala	2.22%
29	Puducherry	1.89%
30	Jharkhand	1.08%
31	Uttarakhand	0.59%
32	Mizoram	-5.15%

The TDP frequently boasts of significant economic growth during its period 2014-19.

In facts suggest a somewhat different picture. During 2018-19 the rank of the State with respect to GSDP growth of the was 21st.

The same has substantially improved owing to the policies of the present Government, that have given the necessary fillip to the rural investment and consumption even during these devastating times of distress.

The next slide further conveys the picture.

GSDP (Constant) growth comparison

Rank	State	2021-22
1	Andhra Pradesh	11.43%
2	Rajasthan	11.04%
3	Bihar	10.98%
4	Telangana	10.88%
5	Delhi	10.23%
6	Odisha	10.19%
7	Madhya Pradesh	10.12%
8	Haryana	9.80%
9	Karnataka	9.47%
10	Tripura	8.69%
11	Sikkim	8.57%
12	Himachal Pradesh	8.35%
13	Meghalaya	8.19%
14	Jharkhand	8.15%
15	Tamil Nadu	7.99%
16	Kerala	7.10%
17	Punjab	6.94%
18	Uttarakhand	6.13%
19	Uttar Pradesh	4.24%
20	Puducherry	3.31%
21	Arunachal Pradesh	TBD
22	Assam	TBD
23	Chhattisgarh	TBD
24	Goa	TBD
25	Gujarat	TBD
26	Maharashtra	TBD
27	Manipur	TBD
28	Mizoram	TBD
29	Nagaland	TBD
30	West Bengal	TBD
31	Andaman & Nicobar Islands	TBD
32	Chandigarh	TBD

Contribution to National income (Current prices)

Financial year	GDP	GSDP	Contribution of State to National GDP	Average
2014-15	1,24,67,959	5,24,976	4.21%	4.45%
2015-16	1,37,71,874	6,04,229	4.39%	
2016-17	1,53,91,669	6,84,416	4.45%	
2017-18	1,70,90,043	7,86,135	4.60%	
2018-19	1,88,99,669	8,73,721	4.62%	5.00%
2019-20	2,00,74,856	9,66,099	4.81%	
2020-21	1,98,00,914	10,14,374	5.12%	
2021-22	2,36,64,637	12,01,736	5.08%	

As conveyed in the earlier slides, owing to the favorable policies of the present Government, when compared with the period of the previous Government (2014-19), there has been a higher contribution by the State to the National Income

GSDP (Constant) growth comparison

Rank	State	2020-21
1	Manipur	3.19%
2	West Bengal	1.06%
3	Tamil Nadu	0.14%
4	Andhra Pradesh	0.08%
5	Karnataka	-0.52%
6	Gujarat	-1.35%
7	Arunachal Pradesh	-1.45%
8	Chhattisgarh	-1.77%
9	Madhya Pradesh	-1.92%
10	Tripura	-2.15%
11	Sikkim	-2.32%
12	Nagaland	-2.63%
13	Goa	-2.65%
14	Puducherry	-2.77%
15	Rajasthan	-2.86%
16	Bihar	-3.15%
17	Punjab	-3.27%
18	Delhi	-3.86%
19	Odisha	-4.15%
20	Uttarakhand	-4.42%
21	Meghalaya	-4.71%
22	Telangana	-4.88%
23	Assam	-5.09%
24	Himachal Pradesh	-5.24%
25	Haryana	-5.27%
26	Uttar Pradesh	-5.51%
27	Jharkhand	-5.52%
28	Mizoram	-5.59%
29	Maharashtra	-7.57%
30	Kerala	-9.20%
31	Chandigarh	-10.34%
32	Andaman & Nicobar Islands	TBD

State Government Debt increase

Debt increases during different periods		
Debt increase during the five year regime of the previous Government		
Particulars	At the time of State bifurcation	As of May 2019
State Government debt	1,20,556	2,69,462
Growth during the period		123.52%
Compounded Annual Growth Rate during the five year period		17.45%
Debt increases during the regime of the present Government		
Particulars	As of May 2019	As of March 2022
State Government debt	2,69,462	3,82,165
Growth during the period		41.83%
Compounded Annual Growth Rate during the three year period		12.73%

The table conveys that the CAGR at which the State Government debt grew during the TDP Government's five year period is 17.45%.

As against this, CAGR at which debt of the present Government grew during the first three year period ending 31st March, 2022 is only 12.73%

Source – CAG (aggregate of the fiscal deficits during the relevant periods is the difference between the opening and closing debts)

Debt increase (along with State guaranteed debt)

Debt increases during different periods		
Debt increase during the five year TDP regime		
Particulars	At the time of State bifurcation	As of May 2019
State Government debt	1,20,556.00	2,69,462.00
Outstanding debt of PSUs with State Government guarantee	14,028.23	59,257.31
Total liabilities and contingent liabilities of the State Government	1,34,584.23	3,28,719.00
Growth during the period		144.25%
Compounded Annual Growth Rate during the five year period		19.55%
Debt increases during the regime of the present Government		
Particulars	As of May 2019	As of March 2022
State Government debt	2,69,462	3,82,165
Outstanding debt of PSUs with State Government guarantee *(this is the figure as of 31 st December, 2021, however there has been very minimal increase over the next three months)	59,257.31	1,17,730.33*
Total liabilities and contingent liabilities of the State Government	3,28,719	4,99,895
Growth during the period		52.07%
Compounded Annual Growth Rate during the three year period		15.46%

The table conveys that the CAGR at which the State Government debt (along with State guaranteed PSU debt) grew during the TDP Government's five year period is 19.55%.

As against this, CAGR at which debt (along with State guaranteed PSU debt) of the present Government grew during the first three year period ending 31st March, 2022 is only 15.46%

Source – CAG (aggregate of the fiscal deficits during the relevant periods) & State Budget documents

Central Government Debt to GDP

Government of India (Debt to GDP) (all figures in INR Crores)			
Financial year	Liabilities as at the end of that year	GDP (Nominal)	Debt to GDP ratio
2013-14	5669128.48	11233521.61	50.47%
2014-15	6242220.92	12467959.29	50.07%
2015-16	6901671.27	13771873.88	50.11%
2016-17	7435761.31	15391669.01	48.31%
2017-18	8234877.19	17090042.36	48.19%
2018-19	9083215.03	18899668.44	48.06%
2019-20	10219067.32	20074855.79	50.90%
2020-21	12079018.19	19800913.82	61.00%
2021-22	13588193.16	23664636.99	57.42%

Source - Budget documents & MOSPI

The manner in which the Central Government debt to GDP increased to unprecedented levels during 2021-22, conveys the distress prevailing across the entire Country's economy.

During the period 2014-19, the ratio improved but the same deteriorated immensely in the following years

Debt growth comparison

Central Government	
Central Government Debt as on 31st May, 2014	59,09,965.48
Central Government Debt as on 31st May, 2019	94,49,372.03
Absolute increase in liabilities	59.88%
CAGR of liabilities increase	9.84%
Andhra Pradesh Government	
Andhra Pradesh Debt as on 2 nd June, 2014	1,20,556
Andhra Pradesh Debt as on 31st May, 2019	2,69,462
Absolute increase in liabilities	123.52%
CAGR of liabilities increase	17.45%

Central Government	
Central Government Debt as on 31st May, 2019	94,49,372.03
Central Government Debt as on 31st March, 2022	1,35,88,193.16
Absolute increase in liabilities	43.80%
CAGR of liabilities increase	13.68%
Andhra Pradesh Government	
Andhra Pradesh Debt as on 31st May, 2019	2,69,462
Andhra Pradesh Debt as on 31st March, 2022	3,82,165
Absolute increase in liabilities	41.83%
CAGR of liabilities increase	12.73%

This analysis compares the rate at which the AP State Government liabilities grew with the rate at which Central Government liabilities grew during the same periods.

When CG debt grew at a CAGR of 9.89%, then AP State debt grew at a CAGR of 16.80%, during 2014-19

On the other hand, when the CG debt grew at 14.37% CAGR, AP State debt grew at CAGR of 13.28%, during 2019-22.

Therefore during the period 2014-19, when there is was no significant stress, still debt grew at a very fast pace in AP. As against that, in 2019-22, when the debt burdens increased across economies, the debt in AP grew at a slower pace.

Debt servicing burden

Debt servicing cost to tax revenues comparison		
Particulars	2018-19	2021-22 (P)
Interest payments	15,341.97	21,449.21
Repayment of public debt	13,544.72	14,558.74
Total servicing	28,886.69	36,007.95
State's own revenues	62,426.97	75,696.92
% of debt servicing to State's own revenues	46.3%	47.6%

The opposition parties and their affiliated media frequently allege that during the period of the present Government, the State Government is having to avail debt to service the already existing debt owing to the debt servicing burden forming such a huge portion of the revenues of the State Government.

However fact is that even in 2018-19 (last year of the TDP Government), the debt servicing expenditure constituted 46.3% of the State's own revenues. This has only increased minimally to 47.6% during the period of the present Government.

Further, owing to the devastating second wave of the Covid-19 pandemic during 2021-22, revenues pertaining to close to one and a half months were almost lost. Had this not been the case, the revenues would have been higher and consequently the % of debt servicing to revenues would have been even lower than 45%.

Capital Expenditure comparison

TDP Government	
Year	Capital Exp
2014-15	7265.00
2015-16	15042.00
2016-17	15707.00
2017-18	16280.00
2018-19	21845.00
Total	76139.00
Average	15227.80

Present Government	
Year	Capital Exp
2019-20	17601.00
2020-21	20690.00
2021-22	16795.20
Total	55086.20
Average	18362.07

The frequent allegations against the present Government is that, the need to incur capital expenditure is completely ignored and the entire expenditure that is being made is only for revenue purposes and no assets are being created.

The figures convey a contrary position. The average expenditure incurred towards capital outlay has increased during the period of the present Government.

To give a perspective, substantial expenditure is being made towards modernizing and upgrading the infrastructure in all the Government schools. Apart from this, infrastructure at the three levels of healthcare facilities in the State are being strengthened.

Therefore, substantial expenditure is being made towards creating assets for the future of the State.

Devolution of Central Taxes

Financial year	Gross Tax Revenues (GTR)	Devolved to States	% of devolution to States
2015-16	14,49,958	5,06,193	34.91%
2016-17	17,09,372	6,08,000	35.57%
2017-18	19,15,492	6,73,005	35.13%
2018-19	20,78,665	7,61,454	36.63%
2019-20	20,07,579	6,50,678	32.41%
2020-21	20,27,104	5,94,997	29.35%
2021-22	27,08,291	8,81,779	32.56%
2022-23 (to July)	8,69,461	2,01,108	23.13%

The 14th Finance Commission recommended a devolution of 42% of the Central taxes (minus cesses and surcharge) to States during the period (2015-20) and the 15th FC has recommended 41% for the next five years.

However, owing to the fiscal hardships that the Central Government is encountering, it has enhanced tax levy in the form of cesses and has placed it beyond the reach of the States.

As can be seen in the table, the State's share during the year 2021-22 is way lower than what it was in 2018-19. This has further exacerbated the fiscal stress faced by the States.