Table of Contents

Paragraph Title	Paragraph No.	Page No.
Preface		vii
Executive Summary		ix
Chapter – I Overview		
Introduction	1.1	1
Basis and approach to State Finances Audit Report	1.2	5
Overview of Government Accounts Structure	Overview of Government Accounts Structure 1.3	
Budgetary Process	1.4	9
Snapshot of Finances	1.5	10
Snapshot of Assets and Liabilities of the Government	1.6	11
Fiscal Balance: Achievement of Deficit and total Debt targets	1.7	12
Deficits and Total Debt after examination in Audit	1.8	17
Chapter – II Finances of the State		
Introduction	2.1	19
Major changes in Key fiscal aggregates vis-à-vis 2021-22	Tajor changes in Key fiscal aggregates vis-à-vis 2021-22 2.2	
Sources and Application of Funds	2.3	20
Resources of the State	2.4	21
Application of Resources	2.5	34
Public Account	2.6	55
Public Liability Management	2.7	62
Apportionment of Assets and Liabilities between Andhra Pradesh and Telangana		
Conclusion	2.9	84
Recommendations	2.10	86
Chapter – III Budgetary Management		
Introduction	3.1	89
Budget preparation process	3.2	89
Appropriation Accounts	Appropriation Accounts 3.3	
Integrity of budgetary and accounting process	3.4	103
Effectiveness of budgetary and accounting process	3.5	123
Conclusion	3.6	130
Recommendations	3.7	132

Paragraph Title	Paragraph No.	Page No.			
Chapter – IV Quality of Accounts and Financial Reporting Practices					
Introduction	4.1	133			
Non-discharge of interest liability in respect of interest bearing Reserve Funds and Deposits	4.2	133			
Funds transferred directly to State Implementing Agencies	4.3	134			
Deposits of Local Funds	4.4	136			
Abstract Contingent Bills	4.5	137			
Personal Deposit Accounts	4.6	138			
Opaqueness in Accounts	4.7	140			
Outstanding balances under Suspense and DDR Heads	4.8	143			
Reconciliation of Accounts	4.9	145			
Reconciliation of Cash Balances	4.10	146			
Compliance with Indian Government Accounting Standards	4.11	146			
Submission of Accounts / Separate Audit Reports of Autonomous Bodies	4.12	147			
Non-submission of details of Grants / Loans given to Bodies and Authorities	4.13	149			
Follow-up action on State Finances Audit Reports	4.14	149			
Conclusion	4.15	150			
Recommendations	4.16	150			
Chapter – V Working of State Public Sector Und	ertakings (SPS	Us)			
Introduction	5.1	151			
Mandate of Audit	5.2	151			
Number of SPSUs and status of accounts	5.3	152			
Contribution of SPSUs to the Economy of the State	5.4	153			
Investment in SPSUs and Budgetary Support	5.5	154			
Returns from the SPSUs	5.6	157			
Losses incurred by SPSUs	5.7	158			
Debt Servicing	5.8	162			
Operating Efficiency of SPSUs	5.9	164			
Sales and Marketing	5.10	168			
Appointment of Statutory Auditors of SPSUs by CAG	5.11	169			
Submission of Accounts by SPSUs	5.12	169			

Paragraph Title	Paragraph No.	Page No.
CAG's oversight – Audit of accounts and supplementary audit	5.13	171
Result of CAG's oversight	5.14	172
Non-compliance with provisions of Accounting Standards/ Ind AS	5.15	178
Management Letters	5.16	179
Conclusion	5.17	180
Recommendations	5.18	181

Appendices

Appendix No.	Appendix Title	Reference to Paragraph	Page No.
1.1	Profile of Telangana	1.1	183
1.2	Time Series Data on State Government Finances	1.5	184
3.1	Excess expenditure against amounts authorised by the Legislature during the year 2022-23	3.4.2.1	188
3.2 (a)	Year-wise summary of excess expenditure yet to be regularised as of September 2023	3.4.2.2	189
3.2 (b)	Year-wise and Grant-wise details of excess expenditure relating to previous years requiring regularisation as of September 2023	3.4.2.2	190
3.3	Grants with savings of more than ₹1,000 crore	3.4.3	195
3.4	Surrenders orders issued in excess of actual savings	3.4.6.3	197
4.1	Year-wise pendency of AC bills	4.5	199
4.2	Department-wise pendency of AC bills since 2014-15	4.5	200
4.3	Cases where entire Receipts were booked under omnibus Minor Head - 800 in 2022-23	4.7	201
4.4	Cases where more than ₹100 crore of Receipts were booked under omnibus Minor Head - 800 for the year 2022-23	4.7	201
4.5	Cases where more than 50 per cent of receipts were booked under omnibus Minor Head - 800 for the year 2022-23	4.7	202
4.6	Cases where more than ₹100 crore of Expenditure were booked under omnibus Minor Head - 800 for the year 2022-23	4.7	202
4.7	Cases where more than 50 per cent of Expenditure was booked under omnibus Minor Head - 800 for the year 2022-23	4.7	203
4.8	List of Major Heads in which receipts of ₹100 crore and above are not reconciled	4.9	203
4.9	List of CCOs who have not reconciled expenditure of ₹100 crore and above	4.9	204
4.10	List of Autonomous Bodies whose accounts are in arrears	4.12	205

Appendix No.	Appendix Title	Reference to Paragraph	Page No.
4.11	List of Corporations/Bodies who have furnished the information regarding receipts of Grants/Loans	4.13	206
4.12	Department-wise status of receipt of Explanatory Notes	4.14	208
5.1	Statement showing list of State Public Sector Undertakings (SPSUs) of Telangana under audit jurisdiction of CAG and status of their annual accounts	5.3 & 5.5.1	209
5.2	Statement showing the Budgetary support provided to SPSUs during the years 2020-21 to 2022-23	5.5.1 & 5.5.3	213
5.3	Statement showing list of SPSUs where Capital was eroded	5.7.2	215
5.4	Statement showing list of SPSUs having Negative Net Worth as on 31 March 2023	5.7.2	217
5.5	Statement showing Return on Equity as on 31 March 2023	5.9.1.1	218
5.6	Statement showing Return on Capital Employed as on 31 March 2023	5.9.1.2	220
5.7	Rate of Real Return on Investment on historical cost basis	5.9.1.3 (A)	222
5.8	Rate of Real Return on the basis of the Present Value of Investment	5.9.1.3 (B)	223
5.9	Statement showing list of SPSUs where Statutory Auditor's Report was revised	5.14.3	225
5.10	Statement showing list of SPSUs where accounts comments were issued by the CAG	5.14.4	226
5.11	Statement showing list of SPSUs which did not comply with Accounting Standards/Indian Accounting Standards as reported by Statutory Auditor	5.15	227
5.12	Statement showing list of SPSUs where Management Letters were issued	5.16	228