

Appendices

Appendix 1.1

(Referred to in Paragraph 1.1)

List of State Public Sector Enterprises in Telangana

| Sl. No. | Government Companies |
|-------------------------------|--|
| Power Sector SPSEs | |
| 1. | The Singareni Collieries Company Limited |
| 2. | Northern Power Distribution Company of Telangana Limited |
| 3. | Southern Power Distribution Company of Telangana Limited |
| 4. | Telangana Power Finance Corporation Limited |
| 5. | Telangana Power Generation Corporation Limited |
| 6. | Transmission Corporation of Telangana Limited |
| 7. | Telangana Renewable Energy Development Corporation Limited |
| 8. | Andhra Pradesh Tribal Power Corporation Limited |
| Non-Power Sector SPSEs | |
| 9. | Damodhara Minerals Private Limited |
| 10. | Manjeera Lift Irrigation Corporation Limited |
| 11. | Telangana Industrial Health Clinic Limited |
| 12. | Telangana Horticulture Development Corporation Limited |
| 13. | Telangana Technology Services Limited |
| 14. | Telangana Water Resources Development Corporation Limited |
| 15. | The Nizam Sugars Limited |
| 16. | Hyderabad Road Development Corporation Limited |
| 17. | Kaleshwaram Irrigation Project Corporation Limited |
| 18. | Musi Riverfront Development Corporation Limited |
| 19. | Telangana Overseas Manpower Company Limited |
| 20. | Telangana Rythu Bandhu Samithi |
| 21. | Telangana Film Development Corporation Limited |
| 22. | Telangana State Minorities Finance Corporation |
| 23. | State Police Housing Corporation Limited |
| 24. | Telangana Seeds Development Corporation Limited |
| 25. | T-Works Foundation |
| 26. | Bio Tech Hub Limited |
| 27. | Infrastructure Corporation of Andhra Pradesh Limited |
| 28. | Telangana Drinking Water Supply Corporation Limited |
| 29. | Telangana Fiber Grid Corporation Limited |
| 30. | Telangana State Irrigation Development Corporation Limited |
| 31. | Telangana Mineral Development Corporation Limited |
| 32. | Telangana State Water Resources Infrastructure Development Corporation Limited |
| 33. | Telangana Urban Finance Infrastructure Development Corporation Limited |
| 34. | Photonics Valley Corporation |
| 35. | E-city Manufacturing Cluster Limited |
| 36. | Fab City SPV (India) Private Limited |
| 37. | Hyderabad Pharma City Limited |
| 38. | Maheswaram Science Park |
| 39. | Pashamylaram Textile Park Limited |
| 40. | Telangana Life Sciences Infrastructure Development Limited |
| 41. | Telangana Forest Development Corporation Limited |
| 42. | Telangana State Agro Industries Development Corporation |
| 43. | Telangana Industrial Infrastructure Corporation Limited |
| 44. | Telangana State Most Backward Classes Development Corporation |
| 45. | Telangana State Trade Promotion Corporation Limited |
| 46. | Zaheerabad NIMZ Limited |
| 47. | Hyderabad Airport Metro Limited |
| 48. | Telangana Handloom Development Corporation Limited |
| 49. | Telangana Powerloom & Textiles Development Corporation Limited |
| 50. | Telangana Rajiv Swagruha Corporation Limited |

| | |
|--|--|
| 51. | Telangana State Beverages Corporation Limited |
| 52. | Wehub Foundation |
| 53. | Hyderabad Metro Rail Limited |
| 54. | Telangana Civil Supplies Corporation Limited |
| 55. | Telangana Handicrafts Development Corporation Limited |
| 56. | Telangana Tourism Development Corporation |
| 57. | Telangana Housing Corporation Limited |
| 58. | Telangana Industrial Development Corporation Limited |
| 59. | Telangana State Leather Industries Promotion Corporation Limited |
| 60. | Telangana State Aviation Corporation Limited |
| 61. | Telangana Christian (Minorities) Finance Corporation |
| Statutory Corporations | |
| 62. | Telangana State Road Transport Corporation |
| 63. | Telangana State Warehousing Corporation |
| 64. | Telangana State Financial Corporation |
| Government Controlled Other Companies | |
| 65. | Hyderabad Growth Corridor Limited |
| 66. | Karimnagar Smart City Corporation Limited |
| 67. | Greater Warangal Smart City Corporation Limited |
| Inactive SPSEs | |
| 68. | Andhra Pradesh Essential Commodities Corporation Limited |
| 69. | Andhra Pradesh Electronics Development Corporation Limited |
| 70. | A.P Small Scale Industrial Development Corporation Limited |
| 71. | Allwyn Watches Limited |
| 72. | Golkonda Abrasives Limited |
| 73. | Apronix Communications Limited |
| 74. | Allwyn Auto Limited |
| 75. | Andhra Pradesh Automobile Tyres & Tubes Limited |
| 76. | Marine and Communication Electronics (India) Limited |
| 77. | Andhra Pradesh Steels Limited |
| 78. | Republic Forge Company Limited |
| 79. | PJ Chemicals Limited |
| 80. | Vidyut Steels Limited |
| 81. | Krishi Engineering Limited |
| 82. | Hyderabad Chemicals and Fertilizers Limited |
| 83. | TSMDC-SCCL Suliyari Coal Company Limited |

Appendix 1.2*(Referred to in Paragraph 1.6)***Statement showing number of State Public Sector Enterprises
whose accounts are in arrear as on 30 September 2023**

| Sl. No. | Name of the Company | Account received up to 30 September 2023 | Year(s) pending finalisation | Accounts in Arrear |
|-------------------------------|--|--|------------------------------|--------------------|
| Power Sector SPSEs | | | | |
| 1. | The Singareni Collieries Company Limited | 2022-23 | 0 | 0 |
| 2. | Northern Power Distribution Company of Telangana Limited | 2022-23 | 0 | 0 |
| 3. | Southern Power Distribution Company of Telangana Limited | 2022-23 | 0 | 0 |
| 4. | Telangana Power Finance Corporation Limited | 2022-23 | 0 | 0 |
| 5. | Telangana Power Generation Corporation Limited | 2022-23 | 0 | 0 |
| 6. | Transmission Corporation of Telangana Limited | 2022-23 | 0 | 0 |
| 7. | Telangana Renewable Energy Development Corporation Limited | 2019-20 | 2020-23 | 3 |
| 8. | Andhra Pradesh Tribal Power Corporation Limited | 2021-22 | 2022-23 | 1 |
| Non-Power Sector SPSEs | | | | |
| 9. | Damodhara Minerals Private Limited | 2022-23 | 0 | 0 |
| 10. | Manjeera Lift Irrigation Corporation Limited | Since inception (DoI 20 Jan 2022) | 2022-23 | 1 |
| 11. | Telangana Industrial Health Clinic Limited | 2022-23 | 0 | 0 |
| 12. | Telangana Horticulture Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 13. | Telangana Technology Services Limited | 2022-23 | 0 | 0 |
| 14. | Telangana Water Resources Development Corporation Limited | 2022-23 | 0 | 0 |
| 15. | The Nizam Sugars Limited | 2022-23 | 0 | 0 |
| 16. | Hyderabad Road Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 17. | Kaleshwaram Irrigation Project Corporation Limited | 2021-22 | 2022-23 | 1 |

| Sl. No. | Name of the Company | Account received up to 30 September 2023 | Year(s) pending finalisation | Accounts in Arrear |
|---------|--|--|------------------------------|--------------------|
| 18. | Musi Riverfront Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 19. | Telangana Overseas Manpower Company Limited | 2021-22 | 2022-23 | 1 |
| 20. | Telangana Rythu Bandhu Samithi | 2020-21 | 2021-23 | 2 |
| 21. | Telangana Film Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 22. | Telangana State Minorities Finance Corporation | 2021-22 | 2022-23 | 1 |
| 23. | State Police Housing Corporation Limited | 2021-22 | 2022-23 | 1 |
| 24. | Telangana Seeds Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 25. | T-Works Foundation | 2022-23 | 0 | 0 |
| 26. | Bio Tech Hub Limited | Not Received (DoI 2 Jul 2020) | 2020-21 to 2022-23 | 3 |
| 27. | Infrastructure Corporation of Andhra Pradesh Limited | 2021-22 | 2022-23 | 1 |
| 28. | Telangana Drinking Water Supply Corporation Limited | 2020-21 | 2021-23 | 2 |
| 29. | Telangana Fiber Grid Corporation Limited | 2020-21 | 2021-23 | 2 |
| 30. | Telangana State Irrigation Development Corporation Limited | 2021-22 | 2022-23 | 1 |
| 31. | Telangana Mineral Development Corporation Limited | 2020-21 | 2021-23 | 2 |
| 32. | Telangana State Water Resources Infrastructure Development Corporation Limited | 2020-21 | 2021-23 | 2 |
| 33. | Telangana Urban Finance Infrastructure Development Corporation Limited | 2019-20 | 2020-23 | 3 |
| 34. | Photonics Valley Corporation | 2018-19 | 2019-23 | 4 |
| 35. | E-city Manufacturing Cluster Limited | 2019-20 | 2020-23 | 3 |
| 36. | Fab City SPV (India) Private Limited | 2018-19 | 2019-23 | 4 |
| 37. | Hyderabad Pharma City Limited | 2019-20 | 2020-23 | 3 |
| 38. | Maheswaram Science Park | 2018-19 | 2019-23 | 4 |

| Sl. No. | Name of the Company | Account received up to 30 September 2023 | Year(s) pending finalisation | Accounts in Arrear |
|---------|--|--|------------------------------|--------------------|
| 39. | Pashamylaram Textile Park Limited | 2018-19 | 2019-23 | 4 |
| 40. | Telangana Life Sciences Infrastructure Development Limited | 2018-19 | 2019-23 | 4 |
| 41. | Telangana Forest Development Corporation Limited | 2020-21 | 2021-23 | 2 |
| 42. | Telangana State Agro Industries Development Corporation | 2019-20 | 2020-23 | 3 |
| 43. | Telangana Industrial Infrastructure Corporation Limited | 2019-20 | 2020-23 | 3 |
| 44. | Telangana State Most Backward Classes Development Corporation | 2020-21 | 2021-23 | 2 |
| 45. | Telangana State Trade Promotion Corporation Limited | 2019-20 | 2020-23 | 3 |
| 46. | Zaheerabad NIMZ Limited | 2018-19 | 2019-23 | 4 |
| 47. | Hyderabad Airport Metro Limited | Not Received (DoI 1Apr 2018) | 2018-23 | 5 |
| 48. | Telangana Handloom Development Corporation Limited | Not Received (DoI 19 Jun 2018) | 2018-23 | 5 |
| 49. | Telangana Powerloom & Textiles Development Corporation Limited | Not Received (DoI 19 Jun 2018) | 2018-23 | 5 |
| 50. | Telangana Rajiv Swagruha Corporation Limited | Not Received (DoI 1Mar 2018) | 2018-23 | 5 |
| 51. | Telangana State Beverages Corporation Limited | 2017-18 | 2018-23 | 5 |
| 52. | Wehub Foundation | Not Received (DoI 30 Aug 2018) | 2018-23 | 5 |
| 53. | Hyderabad Metro Rail Limited | 2016-17 | 2017-23 | 6 |
| 54. | Telangana Civil Supplies Corporation Limited | 2017-18 | 2018-23 | 5 |
| 55. | Telangana Handicrafts Development Corporation Limited | 2016-17 | 2017-23 | 6 |
| 56. | Telangana Tourism Development Corporation Limited | 2017-18 | 2018-23 | 5 |
| 57. | Telangana Housing Corporation Limited | 2015-16 | 2016-23 | 7 |

| Sl. No. | Name of the Company | Account received up to 30 September 2023 | Year(s) pending finalisation | Accounts in Arrear |
|--|--|--|------------------------------|--------------------|
| 58. | Telangana Industrial Development Corporation Limited | 2016-17 | 2017-23 | 6 |
| 59. | Telangana State Leather Industries Promotion Corporation Limited | 2016-17 | 2017-23 | 6 |
| 60. | Telangana State Aviation Corporation Limited | Not Received (DoI 15 May 2015) | 2015-23 | 8 |
| 61. | Telangana (Minorities) Christian Finance Corporation | Not Received (DoI 13 Mar 2015) | 2015-23 | 8 |
| Statutory Corporations | | | | |
| 62. | Telangana State Road Transport Corporation | Not Received (DoI 27 Apr 2016) | 2016-23 | 7 |
| 63. | Telangana State Warehousing Corporation | 2017-18 | 2018-23 | 5 |
| 64. | Telangana State Financial Corporation | Not Received (DoI 31 Aug 2018) | 2015-23 | 8 |
| Government Controlled Other Companies | | | | |
| 65. | Hyderabad Growth Corridor Limited | 2021-22 | 2022-23 | 1 |
| 66. | Karimnagar Smart City Corporation Limited | Not Received (DoI 05 Sep 2017) | 2017-23 | 6 |
| 67. | Greater Warangal Smart City Corporation Limited | Not Received (DoI 18 Aug 2016) | 2016-23 | 7 |
| Inactive Companies | | | | |
| 68. | Andhra Pradesh Essential Commodities Corporation Limited | 2013-14 | 2014-23 | 9 |
| 69. | Andhra Pradesh Electronics Development Corporation Limited | 2002-03 | 2003-23 | 20 |
| 70. | A.P Small Scale Industrial Development Corporation Limited | 2001-02 | 2002-23 | 21 |
| 71. | Allwyn Watches Limited | 1998-99 | 1999-23 | 24 |
| 72. | Golkonda Abrasives Limited | 1997-98 | 1998-23 | 25 |
| 73. | Apronix Communications Limited | NA | NA | NA |
| 74. | Allwyn Auto Limited | 1994-95 | 1995-23 | 28 |
| 75. | Andhra Pradesh Automobile Tyres & Tubes Limited | 1992-93 | 1993-23 | 30 |
| 76. | Marine and Communication Electronics (India) Limited | 1992-93 | 1993-23 | 30 |
| 77. | Andhra Pradesh Steels Limited | 1991-92 | 1992-23 | 31 |

| Sl. No. | Name of the Company | Account received up to 30 September 2023 | Year(s) pending finalisation | Accounts in Arrear |
|---------|---|--|------------------------------|--------------------|
| 78. | Republic Forge Company Limited | 1991-92 | 1992-23 | 31 |
| 79. | PJ Chemicals Limited | 1989-90 | 1990-23 | 33 |
| 80. | Vidyut Steels Limited | 1985-86 | 1986-23 | 37 |
| 81. | Krishi Engineering Limited | 1984-85 | 1985-23 | 38 |
| 82. | Hyderabad Chemicals and Fertilizers Limited | 1984-85 | 1985-23 | 38 |
| 83. | TSMDC-SCCL Suliyari Coal Company Limited | Not Received (DoI 1 Jul 2013) | 2013-23 | 10 |

DoI: Date of Incorporation of SPSE

Appendix 1.3

(Referred to in Paragraph 1.9.1)

SPSEs in which Comments were issued

| Sl. No. | Name of SPSEs | Period of Accounts for which Comments issued |
|-------------------------------|--|--|
| Power Sector SPSEs | | |
| 1. | Telangana Power Generation Corporation Limited | 2021-22 |
| 2. | Transmission Corporation of Telangana Limited | 2021-22 |
| 3. | Northern Power Distribution Company of Telangana Limited | 2022-23 |
| 4. | Southern Power Distribution Company of Telangana Limited | 2022-23 |
| 5. | Telangana Power Generation Corporation Limited | 2022-23 |
| 6. | The Singareni Collieries Company Limited | 2022-23 |
| Non-Power Sector SPSEs | | |
| 7. | Telangana Civil Supplies Corporation Limited | 2016-17 |
| 8. | Telangana Civil Supplies Corporation Limited | 2017-18 |
| 9. | State Police Housing Corporation Limited | 2019-20 |
| 10. | State Police Housing Corporation Limited | 2020-21 |
| 11. | Telangana Life Sciences Infrastructure Development Limited | 2018-19 |
| 12. | Hyderabad Growth Corridor Limited | 2018-19 |
| 13. | Hyderabad Growth Corridor Limited | 2019-20 |
| 14. | Hyderabad Growth Corridor Limited | 2020-21 |
| 15. | Hyderabad Growth Corridor Limited | 2021-22 |
| 16. | Hyderabad Metro Rail Limited | 2016-17 |
| 17. | Telangana State Minorities Finance Corporation | 2019-20 |
| 18. | Telangana State Minorities Finance Corporation | 2020-21 |
| 19. | Fab City SPV (India) Private Limited | 2018-19 |
| 20. | The Nizam Sugars Limited | 2021-22 |
| 21. | Telangana Horticulture Development Corporation Limited | 2021-22 |
| 22. | Telangana Industrial Infrastructure Corporation Limited | 2017-18 |
| 23. | Telangana Industrial Infrastructure Corporation Limited | 2018-19 |
| 24. | Maheshwaram Science Park Limited | 2018-19 |
| 25. | Telangana Drinking Water Supply Corporation Limited | 2019-20 |
| 26. | E-city Manufacturing Cluster Limited | 2018-19 |
| 27. | Kaleshwaram Irrigation Project Corporation Limited | 2020-21 |
| 28. | Telangana State Warehousing Corporation | 2015-16 |
| 29. | Telangana State Warehousing Corporation | 2016-17 |
| 30. | Telangana Tourism Development Corporation Limited | 2016-17 |
| 31. | Telangana Fiber Grid Corporation Limited | 2020-21 |
| 32. | Zaheerabad NIMZ Limited | 2018-19 |
| 33. | Telangana Seeds Development Corporation Limited | 2021-22 |
| 34. | Telangana Urban Finance Infrastructure Development Corporation Limited | 2018-19 |
| 35. | Telangana Urban Finance Infrastructure Development Corporation Limited | 2019-20 |

Appendix 1.4

(Referred to in Paragraph 1.9.2)

Significant comments of the Comptroller and Auditor General of India issued as supplement to the Statutory Auditors' reports

(A) Comments on Profitability:

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|-------------------------------|--|--|
| Power Sector SPSEs | | |
| 1. | Southern Power Distribution Company of Telangana Limited (2022-23) | The power purchase cost of the Company was overstated by ₹76.59 crore, on account of provision for payment of actual metered energy supplied to Singareni Thermal Power Plant (STPP) during 2018-19 to 2022-23, instead of energy charges as per scheduling by SLDC. As the claim for this amount by STPP was disallowed by Telangana State Electricity Regulatory Commission, providing for the same in the books of the DISCOM resulted in overstatement of power purchase expenses, current liabilities and consequent loss for the year by ₹76.59 crore. |
| 2. | Northern Power Distribution Company of Telangana Limited (2022-23) | The Company had not accounted for ₹20.04 crore being the cost of unutilized banked energy units payable to M/s The Singareni Collieries Company Limited (SCCL). This resulted in understatement of power purchase cost, Trade Payables and consequent loss for the year by ₹20.04 crore. |
| Non-Power Sector SPSEs | | |
| 3. | Hyderabad Metro Rail Limited (2016-17) | The Company incurred an expenditure of ₹115.22 crore towards shifting utilities, work contracts towards clearing the areas required, relief and rehabilitation expenses, structural compensation paid for acquiring properties for road widening etc. from the funds provided by the Government and receipt of funds is accounted as loans in the financial statements. The Company has neither adjusted the expenditure against the funds provided by the Government nor recognized it as receivable from the Government. This has resulted in overstatement of administrative expenses and understatement of "Receivable from the Government" by ₹115.22 crore and consequently overstatement of loss for the year by the same amount. |
| 4. | Telangana Drinking Water Supply Corporation Limited (2019-20) | 1. The O&M expenditure of the Company was understated by ₹61.69 crore being expenditure incurred for the year 2019-20 for which payments were pending at the end of year. Not providing for the same in the books of accounts for 2019-20 resulted in understatement of Expenditure, Current Liabilities and consequently Loss for the year by ₹61.69 crore. 2. The O&M Expenditure of the Company was understated by ₹19.50 crore being the amount payable to Northern Power distribution Company of Telangana |

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|---------|---|--|
| | | Limited for manning and maintenance of water grid sub-stations, for the period up to 31.03.2020. Non-provision for the same resulted in understatement of Expenditure, Current Liabilities and consequently, Loss for the year by ₹19.50 crore. 3. The Company did not recognize an amount of ₹458.50 crore payable to the Telangana State Southern Power Distribution Company Limited (TSSPDCL) towards Current Consumption charges for the period up to 31.03.2020. Non-accountal of the same has resulted in understatement of Current Liabilities, Electricity Consumption charges and Loss for the year by ₹458.50 crore |
| 5. | Telangana Industrial Infrastructure Corporation Limited (2018-19 SFS&CFS) | The Company accounted ₹5.67 crore being the interest income earned on the project-specific earmarked funds i.e., temporary deposits made with banks from the loans availed from HUDCO (₹725 crore) and NABARD (₹29.44 crore) for establishment of NIMZ at Hyderabad Pharma City and Mega Food Park project at Buggapadu, Khammam respectively. Treating the interest earned on earmarked funds as income of the company has resulted in overstatement of interest income and understatement of Other current liabilities and understatement of loss by ₹5.67 crore. |

(B) Comments on Financial Position:

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|-------------------------------|--|--|
| Non-Power Sector SPSEs | | |
| 1. | Telangana Civil Supplies Corporation Limited (2016-17) | Reserves and Surplus did not include Demerger Adjustment Account balance of ₹180.44 crore arising due to surplus of Assets over Liabilities, as per the recommendations of the Expert Committee appointed for approval of Demerger proposals of Government Companies/Corporations/Entities in the Schedule IX of AP Reorganization Act, 2014. Accounting for the same as 'Current Liabilities' instead of showing the same separately under 'Reserves and Surplus', resulted in understatement of Reserves and Surplus and overstatement of Current Liabilities by ₹180.44 crore each. |
| 2. | State Police Housing Corporation Limited (2020-21) | The Company had not made a provision of ₹4.56 crore towards Earned Leave encashment payable to regular employees on retirement/ death, as required under Accounting Standard-15. This resulted in understatement of Expenses, Other Current Liabilities and consequent loss for the year by ₹4.56 crore. |
| 3. | Hyderabad Growth Corridor Limited (2020-21) | The Company did not include the capital expenditure of ₹7,459.10 crore incurred by the Company for implementation of Hyderabad Growth Corridor Project |

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|---------|--|---|
| | | (HGCP) from the funds provided by Hyderabad Metropolitan Development Authority (HMDA). As per the Memorandum of Understanding (MoU) dated 30th October 2006, the assets created after completion of the project belong to the HMDA. The Company, instead of transferring the completed assets to the HMDA, netted off the total capital expenditure of ₹7,459.10 crore against the advances of ₹7,263.75 crore received from HMDA and State Government and balance amount of excess expenditure of ₹195.34 crore incurred by the HGCL was shown as other current assets. This has resulted in the understatement of Capital work in progress by ₹7,459.10 crore and understatement of liabilities (advances received) by ₹7,263.75 crore and overstatement of other current assets by ₹195.34 crore |
| 4. | Telangana Urban Finance Infrastructure Development Corporation Limited (2018-19) | Scheme Funds (Amrut Scheme) shown under Current Liabilities were overstated by ₹444.72 crore being the amount of grants released to the scheme beneficiaries (ULBs), due to accounting for such releases as Current Assets, instead of debiting to the scheme fund head. This resulted in Overstatement of 'Other Current Liabilities-Scheme Funds from Government' and Other Current Assets- Loans and Advances' by ₹444.72 crore. |
| 5. | Telangana Urban Finance Infrastructure Development Corporation Limited (2018-19) | The Company accounted for ₹200.68 crore being the balance in Personal Deposit (PD) account of the Company as on 31 March 2019, under 'Cash and Cash Equivalents - Balances with banks'. As the balances of PD account cannot be used by the Company unless authorized by the Finance Department of Government of Telangana, the same should not have been accounted for under 'Balances with banks' but should have been separately exhibited under the head 'Others' under 'Cash and Cash Equivalents'. This resulted in overstatement of 'Balances with banks' and understatement of 'Others' (specifying the nature as PD Account) under 'Cash and cash equivalents' by ₹200.68 crore. |
| 6. | Telangana Urban Finance Infrastructure Development Corporation Limited (2018-19) | The Company did not account for ₹21.00 crore being the value of fixed deposits (with one-year maturity) made with banks, from scheme funds during 2018-19 and ₹0.97 crore being the accrued interest on the above FDs as on 31 March 2019. The fixed deposits and the accrued interest were also not accounted for under 'Current Investments' and 'Other Current Assets' respectively, under Current Assets in Balance Sheet. This resulted in understatement of Current Assets and Current Liabilities by ₹21.97 crore. |
| 7. | Kaleshwaram Irrigation Project Corporation Limited (2020-21) | The Company had not accounted the liability of ₹263.97 crore being the amount payable for the works executed and bills submitted by the vendors during 2020-21. Non-provision for the liability has resulted in understatement of Other Current Liabilities and |

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|---------|---|--|
| | | understatement of Capital Work-In-Progress under Non-Current Assets by ₹263.97 crore |
| 8. | Kaleshwaram Irrigation Project Corporation Limited (2020-21) | The Company did not capitalise ₹22,564.39 crore incurred towards capital works which were completed before 31 March 2021 and were available for use. This resulted in overstatement of Capital Work-In-Progress (CWIP) and understatement of Property, Plant & Equipment (PPE) by ₹22,564.39 crore. |
| 9. | Kaleshwaram Irrigation Project Corporation Limited (2020-21) | The Company did not recover an amount of ₹18.27 crore being the excess GST paid which was recoverable from the contractor's bills. This resulted in overstatement of Capital WIP by ₹18.27 crore and understatement of 'Current Assets-amount recoverable from contractors' by ₹18.27 crore. |
| 10. | Telangana Industrial Infrastructure Corporation Limited (2018-19 SFS&CFS) | The Company accounted an amount ₹636.48 crore as receivable from Andhra Pradesh Industrial Infrastructure Corporation (APIIC) being the excess of liabilities over assets consequent to demerger of the Company on account of bifurcation of the erstwhile State of Andhra Pradesh in June 2014. Since, the Assets and Liabilities were apportioned between the resultant entities in different ratios (assets on location and liabilities on the ratio of population basis), they do not match, and the balance needs to be shown as Demerger (Reorganization) Adjustment account under the Reserves and Surplus as per the decision of the Expert Committee. This resulted in overstatement of Other Loans and Advances and overstatement of Demerger (Reorganization) Adjustment Account under Other equity by ₹636.48 crore. |
| 11. | Telangana Industrial Infrastructure Corporation Limited (2018-19 SFS&CFS) | The Cash Flow from operating activities of the Company includes ₹46.08 crore being interest income earned by Company, was not shown as Income from Investing Activities as required by Ind AS 7 (Cash Flow Statement) for non-financial institutions. This has resulted in overstatement of Income from Operating activities and understatement of Income from investing activities by ₹46.08 crore in the Cash Flow Statement. |
| 12. | TS Fiber Grid Corporation Limited (2020-21) | The Company had not made a provision for the liability of ₹113.63 crore being the payables for the value of works contract / supply of material in respect of 23 invoices which were received on or before 31 March 2021. This resulted in understatement of Current Liabilities and Capital Work-In-Progress by ₹113.63 crore. |
| 13. | Fab City (SPV) India Private Limited (2018-19) | Capital WIP was overstated by ₹35.39 crore being the capital expenditure towards 220 KV Sub-Station and Water supply scheme works which were completed in December 2014 and December 2016 respectively and put to use. This resulted in overstatement of CWIP by ₹35.39 crore, understatement of Property, Plant and Equipment by ₹30.63 crore, Other Equity |

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|---------|--|---|
| | | by ₹2.87 crore, depreciation for the year 2018-19 by ₹1.89 crore and consequently understatement of loss for the year by ₹1.89 crore. |

(C)Comments on Disclosure:

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|---------------------------|--|---|
| Power Sector SPSEs | | |
| 1. | Transmission Corporation of Telangana Limited (2021-22) | As per Actuarial valuation in respect of employees on the rolls as on 31.01.1999 and who retired subsequently as on 31.03.2022, the net defined obligation of ₹5,110.60 crore was determined. As against this, the Company had provided liability to the extent of 26 per cent only. The reason for non-provision of 74 per cent of total liability amounting to ₹3,611.74 crore (₹3,781.85 crore minus ₹170.21 crore) (proportionate share of Master Trust assets) were not disclosed in the Notes to Financial statements. |
| 2. | Southern Power Distribution Company of Telangana Limited (2022-23) | Telangana State Electricity Regulatory Commission (TSERC) approved (24.03.2023) ₹9,360.35 crore towards the power purchase True-ups for the period FY 2016-17 to 2021-22 and provisional true-up for 2022-23. Further, an amount of ₹312.65 crore towards true-up of expenses and revenue for distribution business for the 1 st , 2 nd and 3 rd control periods was also approved. However, the Government of Telangana (GoT) gave an assurance (16.03.2023) to TSERC that it was committed to extend the necessary financial support to the State Power Utilities towards true-up of wheeling charges and power purchase true-ups for distribution business and retail supply business respectively over a period of 5 year. The facts pertaining to the communication regarding the form and amount of assistance pending from the GoT were not disclosed in the Notes to Financial Statements. |
| 3. | Telangana Power Generation Corporation Limited (2021-22) | The Company was allotted Tadicherla -I Coal Block for captive mining purposes by the Ministry of Coal and was also responsible to implement the mine closure plan. Accordingly, the Company estimated the post and progressive mine closure cost for 25 years at ₹282.57 crore. As per the significant Accounting Policies of the Company, the decommissioning costs are provided at the present value of expected costs to settle the obligation using the estimated cash flows and recognized as a part of the cost of the particular asset. However, the Company has neither created specific provision at present value towards mine closure obligation nor disclosed the fact in Notes to Financial Statements. |

| Sl. No. | Name of the Company (Year of Accounts) | Comments |
|-------------------------------|--|--|
| Non-Power Sector SPSEs | | |
| 4. | Telangana Industrial Infrastructure Corporation Limited (2017-18 SFS&CFS) | The Company contested and filed a writ petition in the High court against the Income tax department demand of ₹1,173.13 crore for the year 2017-18 (AY 2018-19). The Company had not disclosed the fact under Contingent liabilities in the Notes to Financial Statements. |
| 5. | Telangana Civil Supplies Corporation Limited (2016-17) | Government of Telangana vide GO Ms.No.18 dated 23.08.2018 enhanced the margins payable to the Fair Price Shop Dealers from ₹20 to ₹70 per quintal for distribution of Rice to the National Food Security Cards from 1st October 2015 to 31st August 2018. Accordingly, amount payable to the dealers towards enhanced margins in respect of Khammam District for the financial year 2016-17 works out to ₹7.27 crore. However, the Company neither accounted for the liability nor disclosed the above facts in the Notes to Financial Statements. |
| 6 | Zaheerabad NIMZ Limited (2018-19) | Telangana Industrial Infrastructure Corporation Limited (TSIICL), the holding company of Zaheerabad NIMZ Limited has acquired land to an extent of 2924.38 Acres for Zaheerabad NIMZ Limited as on 31 March 2019 and deposited ₹167.10 crore with District Collector, Sangareddy towards payment of land value to the landowner. However, the Company did not disclose this fact in the Notes to the Financial Statements. |

Appendix 1.5

(Referred to in Paragraph 1.16,1.18,1.19, 1.20, 1.21, 1.22 and 1.23)

Statement showing requirement of Independent Director/Woman Director/Audit committee/NRC/KMP/Internal Auditor/VM

| Sl. No. | Name of the SPSEs | Requirement of | | | | |
|---------|--|--|----------------|--------------------------|------------------|-----------------|
| | | Independent Director/ Audit Committee/ NRC | Women Director | Key Managerial Personnel | Internal Auditor | Vigil Mechanism |
| 1. | The Singareni Collieries Company Limited | Yes | Yes | Yes | Yes | Yes |
| 2. | Telangana Power Generation Corporation Limited | Yes | Yes | Yes | Yes | Yes |
| 3. | Transmission Corporation of Telangana Limited | Yes | Yes | No | Yes | Yes |
| 4. | Southern Power Distribution Company of Telangana Limited | Yes | Yes | Yes | Yes | Yes |
| 5. | Northern Power Distribution Company of Telangana Limited | Yes | Yes | Yes | Yes | Yes |
| 6. | Telangana Power Finance Corporation Limited | Yes | No | No | Yes | Yes |
| 7. | Telangana Renewable Energy Development Corporation Limited | No | No | No | No | No |
| 8. | Telangana Industrial Health Clinic Limited | Yes | No | Yes | No | No |
| 9. | Telangana Forest Development Corporation Limited | No | No | No | No | No |
| 10. | Telangana Housing Corporation Limited | Yes | No | No | Yes | Yes |
| 11. | Telangana State Minorities Finance Corporation | No | No | No | No | No |
| 12. | T-works Foundation | No | No | No | No | No |
| 13. | Telangana State Water Resources Infrastructure Development Corporation Limited | Yes | No | No | Yes | Yes |
| 14. | Wehub Foundation | No | No | No | No | No |
| 15. | Telangana Rythu Bandhu Samithi | No | No | No | No | No |

| SI. No. | Name of the SPSEs | Requirement of | | | | |
|--------------|---|--|----------------|--------------------------|------------------|-----------------|
| | | Independent Director/ Audit Committee/ NRC | Women Director | Key Managerial Personnel | Internal Auditor | Vigil Mechanism |
| 16. | Damodhara Minerals Private Limited | No | No | No | No | No |
| 17. | Telangana Rajiv Swagruha Corporation Limited | No | No | No | No | No |
| 18. | The Nizam Sugars Limited | Yes | No | Yes | No | Yes |
| 19. | Telangana Technology Services Limited | No | No | No | No | No |
| 20. | State Police Housing Corporation Limited | Yes | No | No | Yes | Yes |
| 21. | Telangana Horticulture Development Corporation Limited | Yes | No | No | Yes | Yes |
| 22. | Telangana Mineral Development Corporation Limited | Yes | No | No | Yes | No |
| 23. | Telangana State Water Resources Development Corporation Limited | No | No | No | No | No |
| 24. | Telangana Film Development Corporation | No | No | No | No | No |
| 25. | Manjeera Lift Irrigation Corporation Limited | No | No | No | No | No |
| 26. | Kaleshwaram Irrigation Project Corporation Limited | Yes | Yes | Yes | Yes | Yes |
| 27. | Telangana Drinking Water Supply Corporation Limited | Yes | No | No | Yes | Yes |
| 28. | Telangana Industrial Development Corporation | No | No | No | No | No |
| Total | | 15 | 6 | 7 | 13 | 13 |

Appendix 1.6*(Referred to in Paragraph 1.23)***Statement showing companies having Internal Audit Framework**

| Sl. No. | Name of SPSEs having Internal Audit Framework | Frequency of Internal Audit | Internal Audit Observations/ Progress reported to | Chartered Accountant (CA) Firm/ Employee |
|---------|---|--|---|--|
| 1. | Southern Power Distribution Company of Telangana Limited | Monthly | Audit Committee | CA firm |
| 2. | Transmission Corporation of Telangana Limited | Accounting units on quarterly basis & non-accounting units on half-yearly basis. | Audit Committee | CA firm |
| 3. | The Singareni Collieries Company Limited | Half Yearly | Audit Committee | CA, an employee |
| 4. | Telangana Power Generation Corporation Limited | Annual | Not reported to Board | Employee |
| 5. | Northern Power Distribution Company of Telangana Limited | Half Yearly | Chairman and Managing Director | CA |
| 6. | Telangana Power Finance Corporation Limited | Annual | Board | CA firm |
| 7. | Water Resource Infrastructure Development Corporation Limited | Quarterly | Board | CA firm |
| 8. | Telangana Drinking Water Supply Corporation | Annual | Board | CA firm |
| 9. | Telangana Horticulture Development Corporation Limited | Annual | Managing Director | CA firm |
| 10. | Telangana Mineral Development Corporation Limited | Details not furnished | | |
| 11. | Kaleshwaram Irrigation Project Corporation Limited | Annual | Audit Committee | CA firm |

