



सत्यमेव जयते

Finance Accounts (Volume - I) 2019-20



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Telangana

GOVERNMENT OF TELANGANA

FINANCE ACCOUNTS

2019-20

VOLUME-I

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**Certificate of the Comptroller and Auditor General of India
on Finance Accounts**

This compilation containing the Finance Accounts of the Government of Telangana for the year ending 31 March 2020 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume-I contains the consolidated position of the state of Finances and Volume- II depicts the Accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 from the compiled accounts and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for the keeping of such accounts functioning under the control of the Government of Telangana and the statements received from the Reserve Bank of India. Statement Nos. (8, 9, 19 and 20), Explanatory Notes (Statement Nos. 5, 14 and 15) and Appendices (VIII, IX and XII) in this compilation have been prepared directly from the information received from the Government of Telangana/Corporations/Companies/Societies who are responsible to ensure the correctness of such information.

The treasuries, offices, and/or departments functioning under the control of the Government of Telangana are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of Accounts is discharged through the office of the Accountant General (Accounts & Entitlement), Telangana. The audit of these accounts is independently conducted through the office of the Accountant General (Audit), Telangana in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organisations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory Notes to Accounts give a true and fair view of the financial position, and the receipts and disbursements of the Government of Telangana for the year 2019-2020.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Financial, Compliance and Performance Audit Reports on the Government of Telangana being presented separately for the year ended 31 March 2020.

Date :10th March, 2021
Place : New Delhi



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

A. Broad overview of the structure of Government accounts

1. The Finance Accounts of the State of Telangana present the accounts of receipts and outgoings of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, the accounts of the Public Debt and the liabilities and assets of the State Government, as worked out from the balances recorded in the accounts.

2. The Accounts of the Government are kept in three parts:

Part I: Consolidated Fund: This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments etc.), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

The Consolidated Fund comprises two sections: Revenue and Capital (including Loans). These are further categorised under 'Receipts' and 'Expenditure'. The Revenue Receipts section is divided into three sectors, viz., 'Tax Revenue', 'Non Tax Revenue' and 'Grants in Aid and Contributions'. These three sectors are further divided into sub-sectors like 'Taxes on Income and Expenditure', 'Fiscal Services', etc. The Capital Receipts section does not contain any sectors or sub-sectors. The Revenue Expenditure section is divided into four sectors, viz., 'General Services', 'Social Services', 'Economic Services' and 'Grants in Aid and Contributions'. These sectors in the Revenue Expenditure section are further divided into sub-sectors like, 'Organs of State', 'Education, Sports, Art and Culture' etc. The Capital Expenditure section is sub-divided into eight sectors, viz., 'General Services', 'Social Services', 'Economic Services', 'Grants in Aid and Contributions', 'Public Debt', 'Loans and Advances', 'Inter-State Settlement' and 'Transfer to Contingency Fund'.

Part II: Contingency Fund: This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional Major Head relating to the Consolidated Fund of the State. The Contingency Fund of the Government of Telangana for the period 2019-20 is ₹50 crore.

Part III: Public Account: All other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government

is also included under the Public Account. The Public Account comprises six sectors, viz., 'Small Savings, Provident Funds etc.', 'Reserve Funds', 'Deposit and Advances', 'Suspense and Miscellaneous', 'Remittances', and 'Cash Balance'. These sectors are further sub-divided into sub-sectors. The Public Account is not subject to the vote of the Legislature.

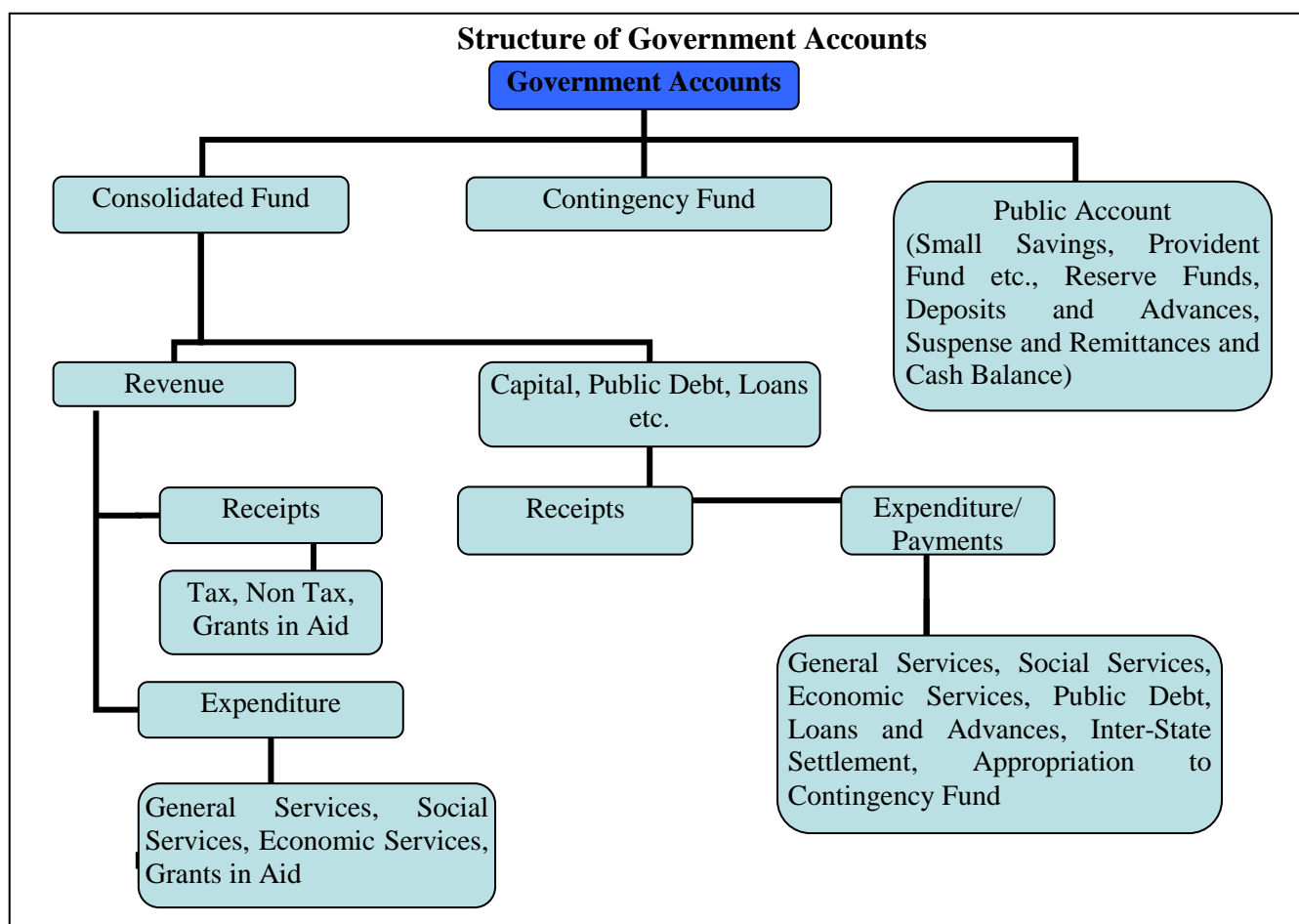
3. Government accounts are presented under a six tier classification, viz., Major Heads (four digits), Sub Major Heads (two digits), Minor Heads (three digits), Sub Heads (two digits), Detailed Heads (two to three digits), and Object Heads (two or three digits). Major Heads represent functions of Government, Sub Major Heads represent sub-functions, Minor Heads represent programmes/ activities, Sub Heads represent schemes, Detailed Heads represent sub-schemes, and Object Heads represent purpose/ object of expenditure.

4. The main unit of classification in accounts is the Major Head, which contains the following coding pattern (according to the List of Major and Minor Heads corrected upto March 2020)

0005 to 1606	Revenue Receipts
2011 to 3606	Revenue Expenditure
4000	Capital Receipts
4046 to 7810	Capital Expenditure (including Loans)
7999	Appropriation to the Contingency Fund
8000	Contingency Fund
8001 to 8999	Public Account

5. The Finance Accounts, generally (with some exceptions), depict transactions upto the Minor Head. The figures in the Finance Accounts are depicted at net level, i.e., after accounting for recoveries as reduction of expenditure. This treatment is different from the depiction in the Demands for Grants presented to the Legislature and in the Appropriation Accounts, where expenditure is depicted at the gross level.

6. A pictorial representation of the structure of accounts is given below:



B. What the Finance Accounts contain

The Finance Accounts are presented in two volumes.

Volume I contains the Certificate of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, 13 statements which give summarised information on the financial position and transactions of the State Government for the current financial year, Notes to Accounts and annexure to the Notes to Accounts. Details of the **13** statements in **Volume I** are given below:

1. **Statement of Financial Position:** This statement depicts the cumulative figures of assets and liabilities of the State Government, as they stand at the end of the year, and as compared to the position at the end of the previous year.
2. **Statement of Receipts and Disbursements:** This statement depicts all receipts and disbursements of the State Government during the year in all the three parts in which Government accounts are kept, viz., the Consolidated Fund, Contingency Fund and Public Account. In addition, it contains an annexure, showing alternative depiction of Cash Balances (including investments) of the Government. The Annexure also depicts the Ways and Means position of the Government in detail.

3. **Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts and borrowings of the State Government. This statement corresponds to detailed statements 14, 17 and 18 of Part I in Volume II of the Finance Accounts.
4. **Statement of Expenditure (Consolidated Fund):** In departure from the general depiction of the Finance Accounts up to the Minor Head level, this statement gives details of expenditure by nature of activity (objects of expenditure) also. This statement corresponds to detailed statement 15, 16, 17 and 18 of Part I in Volume II.
5. **Statement of Progressive Capital Expenditure.** This statement corresponds to the detailed statement 16 in Volume II.
6. **Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. 'Other Liabilities' comprise 'Small Savings, Provident Funds etc.', 'Reserve Funds' and 'Deposits'. The statement also contains a note on service of debt, and corresponds to the detailed Statement 17 of Part I in Volume II.
7. **Statement of Loans and Advances given by the Government:** This statement depicts all loans and advances given by the State Government to various categories of loanees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and recipient individuals (including Government servants). This statement corresponds to the detailed statement 18 of Part I in Volume II.
8. **Statement of Investments of the Government:** This statement summarises investments of the State Government in the Share capital of Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative Institutions and Local Bodies. This statement corresponds to the detailed statement 19 of Part I in Volume II.
9. **Statement of Guarantees given by the Government:** This statement summarises the guarantees given by the State Government on repayment of principal and interest on loans raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions. This statement corresponds to the detailed statement 20 in Part II
10. **Statement of Grants in Aid given by the Government:** This statement depicts all Grants in Aid given by the State Government to various categories of grantees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and individuals. Appendix III provides details of the recipient institutions.
11. **Statement of Voted and Charged Expenditure:** This statement assists in the agreement of the net figures appearing in the Finance Accounts with the gross figures appearing in the Appropriation Accounts.
12. **Statement on Sources and Application of Funds for Expenditure other than on Revenue Account:** This statement is based on the principle that revenue expenditure is expected to be defrayed from revenue receipts, while capital expenditure of the year is met from revenue surplus, net credit balances in the public account, cash balance at the beginning of the year, and borrowings.

13. Summary of balances under Consolidated Fund, Contingency Fund and Public Account: This statement assists in proving the accuracy of the accounts. The statement corresponds to the detailed statement 14, 15, 16, 17, 18 and 21 in Volume II.

Volume II of the Finance Accounts contains two parts - nine detailed statements in Part I and 13 Appendices in Part II.

Part I of Volume II

14. Detailed Statement of Revenue and Capital Receipts by Minor Heads: This statement corresponds to the summary statement 3 in Volume I of the Finance Accounts.

15. Detailed Statement of Revenue Expenditure by Minor Heads: This statement, which corresponds to the summary statement 4 in Volume I, depicts the revenue expenditure of the State Government under Charged and Voted expenditure are exhibited distinctly.

16. Detailed Statement of Capital Expenditure by Minor Heads and Sub Heads: This statement, which corresponds to the summary statement 5 in Part-I of this volume, depicts the capital expenditure (during the year and cumulatively) of the State Government under Charged and Voted expenditure are exhibited distinctly. In addition to representing details of capital expenditure at Minor Head level, in respect of significant schemes, this statement depicts details at Sub Head levels also.

17. Detailed Statement of Borrowings and Other Liabilities: This statement, which corresponds to the summary statement 6 in Part I of this volume, contains details of all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), and Ways and Means advances extended by the Reserve Bank of India. This statement presents the information on loans under three categories: (a) details of individual loans; (b) maturity profile, i.e., amounts payable in respect of each category of loans in different years; and (c) interest rate profile of outstanding loans.

18. Detailed Statement on Loans and Advances given by the State Government: This statement corresponds to the summary statement 7 in Volume I.

19. Detailed Statement of Investments of the Government: This statement depicts details of investments entity wise and Major and Minor Head wise details of discrepancies, if any, between Statements 16 and 19. This statement corresponds to Statement 8 in Volume I.

20. Detailed Statement of Guarantees given by the Government: This statement depicts entity wise details of government guarantees. This statement corresponds to Statement 9 in Volume I.

21. Detailed Statement on Contingency Fund and Other Public Account transactions: This statement depicts at Minor Head level, the details of unrecouped amounts under Contingency Fund, consolidated position of Public Accounts transactions during the year, and outstanding balances at the end of the year. This statement corresponds to Statement 13 in Volume I.

22. Detailed Statement on Investments of Earmarked Funds: This statement depicts details of investments from the Reserve Funds (Public Account).

Part II of Volume II

Part II contains 13 Appendices on various items including salaries, subsidies, grants-in-aid, externally aided projects, scheme wise expenditure in respect of major Central schemes and State schemes, etc. These details are presented in the accounts at Sub Head level or below (i.e. below Minor Head levels) and so are not generally depicted in the Finance accounts. A detailed list of appendices appears at the ‘Index’ in Volume I and II. The statements read with the appendices give a complete picture of the state of finances of the State Government.

C. Ready Reckoner:

The section below links the summary statements appearing in Volume I with the detailed statements and appendices in Volume II. (Appendices which do not have a direct link with the Summary Statements are not shown below).

Parameter	Summary Statements (Volume I)	Detailed Statements (Volume II)	Appendices
Revenue Receipts (including Grants received)	2, 3	14	
Revenue Expenditure	2, 4	15	I (Salary), II (Subsidy)
Grants-in-Aid given by the Government	2,10	---	III(Grants-in-aid)
Capital receipts	2, 3	14	
Capital expenditure	1, 2, 4,5,12	16	
Loans and Advances given by the Government	1, 2, 7	18	
Debt Position/Borrowings	1, 2, 6	17	
Investments of the Government in Companies, Corporations etc.	8	19	
Cash	1, 2,12		
Balances in Public Account and investments thereof	1, 2	21, 22	
Guarantees	9	20	
Schemes			IV (Externally Aided Projects), V(Expenditure on Schemes)

D. Periodical adjustments and Book adjustments:

Certain transactions that appear in the accounts do not involve actual movement of cash at the time of booking. Some of these transactions take place at the level of the account rendering units (e.g. treasuries, divisions etc.) themselves. For instance, transactions involving adjustment of all deductions (GPF, recoveries of advances given etc.) from salaries are recorded by debiting functional Major Heads (pertaining to the concerned department) by book adjustment to Revenue/Loans/Public Account receipts. Similarly ‘nil’ bills where

moneys transferred between the Consolidated Fund and Public Account represent non-cash transactions occurring at the level of the accounts rendering units.

In addition of the above, the Principal Accountant General/Accountant General (A&E) carries out periodic adjustments and book adjustments of the following nature in the accounts of the State Government, details of which appear in Annexure to Notes to Accounts (Volume I) and footnotes to the relevant statements.

Examples of periodical adjustments and book adjustments are given below:

(1) Creation of funds/ adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g., Calamity Relief Fund, Reserve Funds, Sinking Fund, etc.

(2) Crediting of deposit heads of accounts in Public Account by debit to Consolidated Fund.

(3) Annual adjustment of interest on General Provident Fund (GPF) and State Government Group Insurance Scheme, where interest on GPF is adjusted by debiting Major Head 2049-Interest and crediting Major Head 8009-State Provident Fund.

(4) Adjustment of Debt waiver under the scheme of Government of India based on the recommendations of the Central Finance Commissions. These adjustments (where Central loans are written off by crediting Major Head 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government) impact both Revenue Receipts and Public Debt heads.

E. Rounding: Difference of ₹0.01 lakh/crore, wherever occurring, is due to rounding.

* * *

1. STATEMENT OF FINANCIAL POSITION

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

Assets ⁽¹⁾	Reference (Sl. No.)		As at	As at
	Notes to Accounts	Statement	31 March 2020	31 March 2019
<i>(₹ in Crore)</i>				
Cash				
(i) Cash in Transit and Local Remittances		Annexure to St.No.2	...	2.07
(ii) Departmental Balances		21	...	...
(iii) Permanent Imprest		21	0.31	0.30
			1.44	1.44
(iv) Cash Balance Investments		21	69,45.39	15,88.95
(v) Deposits with Reserve Bank of India & Other Banks		Annexure St.No.2	(-)16,89.15	(-)93.29 ⁽⁵⁾
(vi) Investments from Earmarked Funds		22	68,39.27	57,19.69
				...
Capital Expenditure				
(i) Investments in shares of Companies Corporations etc.		8 &19	2,18,06.95	1,97,53.99
			84,01.21	84,01.21
(ii) Other Capital Expenditure		5 &16	9,69,28.31	8,21,22.46
			14,29,48.46	14,29,48.46
Contingency Fund (un-recouped)	Para.3-(xi)	21	4.21	2.10
Loans and Advances		7&18	3,31,47.01	2,45,09.18
			2,80,99.68	2,80,99.68
Advances with departmental officers		21	(-)23.38	(-)23.37
			29.63	29.63
Suspense and Miscellaneous Balances⁽²⁾		21	...	...
			2,35.66	2,35.66
Remittance Balances		21	...	...
			3,10.23	3,10.23
Cumulative excess of expenditure over Receipts⁽³⁾			7,57,47.13	6,94,83.09
Total			23,97,06.05 ⁽⁴⁾	20,30,65.17 ⁽⁴⁾

1. The figures of assets and liabilities are cumulative figures. Please also see note 1(ii) in the section 'Notes to Accounts'.
2. In this statement the line item 'Suspense and Miscellaneous Balances' does not include MH-8673-Cash Balance Investment Account, MH-8671-Departmental Balances and MH-8672-Permanent cash imprest which is included separately above though the latter forms part of this sector elsewhere in these Accounts.
3. The cumulative excess of expenditure over receipts is different from the fiscal/revenue deficit for the current year. The figure has been worked out by netting Capital sources and application of funds.
4. Figure excludes un-apportioned balances which are shown in **bold**.
5. OB differs from the previous year by an amount of ₹2.07 crores due to proforma correction.

1. STATEMENT OF FINANCIAL POSITION

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

Liabilities	Reference (Sl. No.) Notes to Accounts	Statement	As at 31 March 2020	As at 31 March 2019
<i>(₹ in Crore)</i>				
Borrowings (Public Debt)				
(i) Internal Debt		6 & 17	18,69,58.82 (-)95.17	15,69,33.55 (-)95.17
(ii) Loans and Advances from Central Government				
Non-Plan Loans		6 & 17	14.35 1.75	16.55 1.75
Loans for State Plan Schemes		6 & 17	67,06.97 ...	71,44.16 ...
Loans for Central Plan Schemes		6 & 17	... 3.59	... 3.59
Loans for Centrally Sponsored Plan Schemes		6 & 17	......	......
Other Loans for States /Union Territory with legislature schemes		6 & 17	12,77.60 8.74	10,70.14 8.74
Contingency Fund (Corpus)	Para.3-(xi)	21	50.00	50.00
Liabilities on Public Account				
(i) Small Savings, Provident Funds, etc.		6, 17 &	1,09,00.59	1,01,16.67
(ii) Deposits ⁽¹⁾		6, 17 & 21	2,11,20.91 45,03.68	1,97,14.30 45,03.68
(iii) Reserve Funds	Para.3-(vii)	6,17,21 &22	1,20,40.93	76,87.68
(iv) Remittance Balances			1,38.07	1,31.08
(v) Suspense and Miscellaneous Balances	Para.3-(ix)	21	4,97.81	2,01.04
Cumulative excess of receipts over Expenditure			...	...
Total			23,97,06.05 ⁽¹⁾	20,30,65.17 ⁽¹⁾

(1) Figure excludes un-apportioned balances which are shown in **bold**

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts			Disbursements		
	2019-20	2018-19		2019-20	2018-19
<i>(₹ in Crore)</i>					
Part-I Consolidated Fund					
Section-A : Revenue					
Revenue Receipts <i>(Ref. Statement 3 & 14)</i>	10,25,43.81	10,14,20.16	Revenue Expenditure <i>(Ref. Statement 4-A, 4-B & 15)</i>	10,87,97.87	9,70,83.08
Tax Revenue (raised by the State) <i>(Ref. Statement 3 & 14)</i>	6,75,97.49	6,46,74.07	Salaries ⁽¹⁾ <i>(Ref. Statement 4-B & Appendix-I)</i>	1,70,42.26	1,62,40.23
Non-tax Revenue <i>(Ref. Statement 3 & 14)</i>	73,60.31	1,00,07.42	Subsidies ⁽¹⁾ <i>(Ref. Statement 4-B & Appendix-II)</i>	68,45.67	63,03.57
Interest Receipts <i>(Ref. Statement 3 & 14)</i>	17.56	59.51	Grants-in-Aid ^(1,2) <i>(Ref. Statement 4-B, 10 & Appendix-III)</i>	4,49,61.06	3,78,53.93
Others <i>(Ref. Statement 3)</i>	73,42.75	99,47.91	General Services <i>(Ref. Statement 4 & 15)</i>	2,98,36.53	2,77,76.38
Share of Union Taxes/Duties <i>(Ref. Statement 3 & 14)</i>	1,59,87.59	1,85,60.88	Interest Payment & Service of Debt <i>(Ref. Statement 4-A, 4-B & 15)</i>	1,46,85.56	1,30,86.29
			Pension <i>(Ref. Statement 4-A, 4-B & 15)</i>	1,18,33.75	1,14,77.38
			Others <i>(Ref. Statement 4-B)</i>	33,17.22	32,12.71
			Social Services <i>(Ref. Statement 4-A & 15)</i>	93,46.90	75,92.51
			Economic Services <i>(Ref. Statement 4-A & 15)</i>	7,65.45	13,11.19
Grants from Central Government <i>(Ref. Statement 3 & 14)</i>	1,15,98.42	81,77.79	Compensation and Assignment to Local Bodies and PRIs <i>(Ref. Statement 4-A & 15)</i>	...	5.27
Revenue Deficit	62,54.06	...	Revenue Surplus	...	43,37.08

(1) Salaries, Subsidies and Grants-in-Aid figures have been summed up across all sectors to present a consolidated figure. The Grants-in-Aid figure comprises of the expenditure classified under the dedicated object head "310 Grants-in-Aid" across all Major Heads and totals of Minor Heads 191, 192, 193, 196, 197 and 198. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' Services does not include expenditure on Salaries, Subsidies and Grants-in-Aid (explained in footnote 2 below) under Revenue Expenditure and Salaries under Capital Expenditure. Salaries, sometimes, also figure under Capital Expenditure.

(2) Grants-in-Aid given to Statutory Corporations, Companies, Autonomous Bodies, Local Bodies etc., by the Government is included as a line item. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and Assignment to Local Bodies and PRIs'.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts			Disbursements		
	2019-20	2018-19		2019-20	2018-19
<i>(₹ in Crore)</i>					
Section-B :Capital					
Capital Receipts <i>(Ref. Statement 3 & 14)</i>	...	...	Capital Expenditure <i>(Ref. Statement 4-A 4-B & 16)</i>	1,68,58.81⁽²⁾	2,26,40.53
			Salaries ⁽¹⁾	3,40.85	3,07.92
			General Services <i>(Ref. Statement 4-A & 16)</i>	6,45.54	7,03.08
			Social Services <i>(Ref. Statement 4-A & 16)</i>	17,64.66	56,20.03
			Economic Services <i>(Ref. Statement 4-A & 16)</i>	1,41,07.76	1,60,09.50
Recoveries of Loans & Advances <i>(Ref. Statement 3, 7 & 18)</i>	61.95	65.82	Loans and Advances disbursed <i>(Ref. Statement 4-A, 7 & 18)</i>	86,99.78	87,06.24
			General Services <i>(Ref. Statement 4-A, 7 & 18)</i>	93.09	39.82
			Social Services <i>(Ref. Statement 4-A, 7 & 18)</i>	54,43.34	66,17.91
			Economic Services <i>(Ref. Statement 4-A, 7 & 18)</i>	30,89.59	19,91.71
			Others <i>(Ref. Statement 7 & 18)</i>	73.76	56.80
Public Debt Receipts <i>(Ref. Statement 3, 6 & 17)</i>	7,55,33.37	5,09,61.96	Repayment of Public Debt <i>(Ref. Statement 4-A, 6 & 17)</i>	4,57,40.03	2,87,15.64
Internal Debt (Market loans etc.) <i>(Ref. Statement 3, 6 & 17)</i>	7,53,25.91	5,05,28.50	Internal Debt ⁽³⁾ (Market loans etc.) <i>(Ref. Statement 4-A, 6 & 17)</i>	4,53,00.64	2,78,81.96
Loans from GOI <i>(Ref. Statement 3, 6 & 17)</i>	2,07.46	4,33.46	Loans from GOI <i>(Ref. Statement 4-A, 6 & 17)</i>	4,39.39	8,33.68
Net of inter-state Settlement	...	...	Net of inter-state Settlement	7.91	5.31
Appropriation to the Contingency Fund	...	...	Appropriation to the Contingency Fund		
Total Receipts - Consolidated Fund <i>(Ref. Statement 3)</i>	17,81,39.13	15,24,47.94	Total Expenditure - Consolidated Fund <i>(Ref. Statement 4)</i>	18,01,04.40	15,71,50.80
Deficit in Consolidated Fund	19,65.27	47,02.86	Surplus in Consolidated Fund		

⁽¹⁾ Please refer footnote (1) of pre-page.

⁽²⁾ Includes an amount of ₹5.86 crore incurred under Grants-in-aid

⁽³⁾ Includes National Small Savings Fund repayment of ₹8,27.30 crore.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts			Disbursements		
	2019-20	2018-19		2019-20	2018-19
<i>(₹ in Crore)</i>					
Part-II Contingency Fund					
Contingency Fund <i>(Ref. Statement 21)</i>	2.10	0.09	Contingency Fund	4.21	2.10
Part-III Public Account⁽¹⁾					
Small Savings <i>(Ref. Statement 21)</i>	26,18.29	24,27.21	Small Savings <i>(Ref. Statement 21)</i>	18,34.37	15,82.59
Reserves & Sinking Funds <i>(Ref. Statement 21)</i>	53,15.90	17,71.77	Reserves & Sinking Funds <i>(Ref. Statement 21)</i>	20,82.23	13,24.45
Deposits <i>(Ref. Statement 21)</i>	6,04,02.35	6,25,54.24	Deposits <i>(Ref. Statement 21)</i>	5,89,95.74	5,94,57.35
Advances <i>(Ref. Statement 21)</i>	0.01	40.63	Advances <i>(Ref. Statement 21)</i>	...	37.20
Suspense and Misc. <i>(Ref. Statement 21)</i>	3,66,99.30	7,83,79.29	Suspense and Misc. ⁽²⁾ <i>(Ref. Statement 21)</i>	4,17,58.98	7,83,50.73
Remittances <i>(Ref. Statement 21)</i>	1,38,59.79	1,78,60.30	Remittances <i>(Ref. Statement 21)</i>	1,38,52.80	1,77,45.58
Total Receipts - Public Account <i>(Ref. Statement 21)</i>	11,88,95.64	16,30,33.45	Total Disbursements- Public Account <i>(Ref. Statement 21)</i>	11,85,24.12	15,84,97.90
Deficit in Public Account	...	...	Surplus in Public Account	3,71.52	45,35.55
Opening Cash Balance	(-)93.29⁽³⁾	78.10	Closing Cash Balance	(-)16,89.15	(-)91.22
Increase in Cash Balance		...	Decrease in Cash Balance	15,95.86	1,69.32

⁽¹⁾ For details please refer to Statement No.21 in Volume II.

⁽²⁾ 'Suspense and Miscellaneous' includes 'Other Accounts' such as Cash Balance Investment Account (Major Head 8673) etc. Details given in Statement No. 21 in Volume II.

⁽³⁾ OB differs from the previous year by an amount of ₹2.07 crore due to proforma correction.

ANNEXURE - CASH BALANCES AND INVESTMENT OF CASH BALANCES

	On 31 March 2020	On 31 March 2019
	<i>(₹ in Crore)</i>	
(a) General Cash Balances-		
1. Cash in Treasuries	...	...
2. Deposits with Reserve Bank	(-)16,89.15	(-)93.29
3. Deposits with other Banks	...	...
4. Remittances in Transit	...	2.07
Total	(-)16,89.15	(-)91.22
5. Investments held in Cash Balance Investment Account (Major Head 8673)	69,45.39	15,88.95
Total- (a)	52,56.24	14,97.73
(b) Other Cash Balances and Investments		
1. 8671 Departmental Balances-Civil-Cash with Departmental Officers viz. Public Works Officers, Forest Officers, General Managers of Commercial Concerns and Pension Payment Officer (Motigally)	...	...
2. 8672 Permanent Cash Imprest- Civil-Permanent Advances with Departmental Officers for Contingent Expenditure	0.31	0.30
3. Investment out of Earmarked Funds	68,39.27	57,19.69
Total-(b)	68,39.58	57,19.99
Total-(a) +(b)	1,20,95.82	72,17.72

There was a net difference of ₹16,64.61 crore (Credit) between the figures reflected in the accounts ₹16,89.15 crore (Credit) and that intimated by the Reserve Bank of India ₹24.54 crore (Debit), in respect of Deposits with Reserve Bank included in the Cash Balance. After the closing of July 2020 accounts the net difference is ₹88.00 crore (Debit). The difference was mainly due to receipts/payments booked by Treasuries in the last working hours of 31 March 2020, but the same were accounted for by RBI in April 2020. The difference is under reconciliation.

	<i>(₹ in Crore)</i>		
	Debit	Credit	Net
i) Difference as on 31 March 2020	3,05.08	19,69.69	16,64.61 CR
ii) Cleared in the accounts up to July, 2020	1,81.48	19,34.09	17,52.61 CR
iii) Difference after the closing of July, 2020	1,23.60	35.60	88.00 DR

ANNEXURE - CASH BALANCES AND INVESTMENT OF CASH BALANCES

EXPLANATORY NOTES

(a) **Daily Cash Balance:** Under an agreement with the Reserve Bank of India the State Government has to maintain a minimum cash balance of ₹1.38 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by availing Special Drawing Facility (previously known as Special Ways and Means Advances)/Ways and Means Advances/ Over draft from time to time.

For arriving at the daily cash balance⁽¹⁾ for the purpose of grant of Ways and Means Advances/ Overdraft the RBI evaluates the holdings of the 14 day treasury bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived the maturity of 14 day Treasury Bills if any is added and excess balance, if any after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at results in less than the minimum cash balance or a credit balance and if there are no 14 day treasury bills maturing on that day, RBI rediscounts the holdings of the 14 day Treasury Bills and makes good the shortfall. If there is no holding of 14 day Treasury Bills on that day the State Government applies for Special Drawing Facility/ Ways and Means Advances/ Overdraft⁽²⁾.

(b) The Operative limit of Special Drawing Facility of Government of Telangana was ₹19,63.72 crore as on 31 March 2020. The limit for Ways and Means advances for the state was ₹10,80.00 crore as on 31 March 2020.

Without resorting to Special Drawing Facility, Ways and Means Advance and Over Draft from Reserve Bank of India, the State Government maintained the minimum Cash Balance with the Bank on 279 days from 01 April 2019 to 31 March 2020.

The extent to which the Government maintained the minimum cash balance with the Reserve Bank during 01 April 2019 to 31 March 2020 is given below :-

(i) Number of days on which the minimum balance was maintained without taking any advance	279 ⁽³⁾
(ii) Number of days on which the minimum balance was maintained by taking Special Drawing Facility	87
(iii) Number of days on which the minimum balance was maintained by taking Ways and Means Advance	35
(iv) Number of days on which there was shortfall in minimum balance even after taking the above advances but no overdraft was taken	...
(v) Number of days on which overdrafts were taken	8

(1) The cash balance ('Deposits with RBI') above is the closing cash balance as on 31 March 2020, but worked out by 16 April 2020 and not simply the daily Balance on 31 March.

(2) An amount of ₹29.19 crore was paid towards interest on Special Drawing Facility/Ways and Means Advances/Overdraft during the year 2019-20.

(3) The dates on which Special Drawing Facility was availed fall on the same dates on which Ways and Means advances and Overdrafts were drawn. Hence the number of days on which minimum balance was maintained without taking any advance was 279 (366- 87).

ANNEXURE - CASH BALANCES AND INVESTMENT OF CASH BALANCES

DETAILS OF SPECIAL DRAWING FACILITY, WAYS AND MEANS ADVANCES AND OVERDRAFT AVAILED BY GOVERNMENT OF TELANGANA

(₹ in Crore)

Month	Special Drawing Facility		Ways And Means Advances		Overdraft	
	No. of days	Amount	No. of days	Amount	No. of days	Amount
April 2019	3	5,05.79	7	12,69.36	1	2,67.26
May 2019	6	13,46.82	11	13,88.89	3	2,30.12
June 2019	7	11,41.78	5	21,41.20	4	10,81.26
July 2019	12	37,95.79	5	14,19.81	...	...
August 2019	12	38,64.90	...	...	...	...
September 2019	3	10,44.50	...	...	...	...
October 2019	6	25,92.66	...	...	...	...
November 2019	10	26,57.26	...	...	...	...
December 2019	7	27,95.29	7	5,34.94	...	...
January 2020	7	17,33.86	...	...	...	...
February 2020	10	39,86.47	...	...	...	...
March 2020	7	34,49.63	...	...	...	...
Total	87	2,89,14.75	35	67,54.20	8	15,78.64

(c) The following is an analysis of investments held in Cash Balance Investment Account:-

(₹ in Crore)

	Balance as on 01 April 2019	Purchases	Sales	Balance on 31 March 2020	Interest realised
Short-term investments- Government of India Treasury Bills	15,88.95	4,10,10.71	3,56,54.28	69,45.38	7.98
Total	15,88.95	4,10,10.71	3,56,54.28	69,45.38	7.98

(d) The details of investments out of earmarked funds are given in the Statement No.22–
Detailed statement on Investments of Earmarked Funds.

...

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

I. Tax and Non-Tax Receipts

Description	Actuals	
	2019-20	2018-19
		(₹ in Crore)
A. Tax Revenue-		
A.1 Own Tax Revenue-		
State Goods and Services Tax SGST	2,35,16.70	2,38,40.18
Other Taxes on Income and Expenditure	5,26.49	4,52.21
Land Revenue	0.99	0.42
Stamps and Registration Fees	66,71.05	53,44.04
Taxes on Immovable property other than Agricultural land	2,00.17	1,35.80
State Excise	1,19,91.58	1,06,37.57
Taxes on Sales, Trade etc.	2,06,74.42	2,02,90.50
Taxes on Vehicles	39,34.75	37,61.94
Taxes on Goods and Passengers	61.88	1,88.54
Taxes and Duties on Electricity	17.07	15.97
Other Taxes and Duties on Commodities and Services	2.39	6.90
A.2 Share of net proceeds of Taxes-		
Central Goods and Services Tax CGST	45,36.74	45,80.66
Integrated Goods and Services Tax IGST	...	3,65.60
Corporation Tax	54,51.14	64,54.17
Taxes on Income other than Corporation Tax	42,71.35	47,53.21
Other Taxes on Income and Expenditure	...	33.61
Taxes on Wealth	0.24	2.36
Customs	10,13.40	13,15.55
Union Excise Duties	7,04.59	8,74.26
Service Tax	...	1,71.88
Other Taxes and Duties on Commodities and Services	10.13	9.58

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

I. Tax and Non-Tax Receipts

Description	Actuals	
	2019-20	2018-19
		(₹ in Crore)
Total- A	8,35,85.08	8,32,34.95
B. Non-Tax Revenue-		
Non-ferrous Mining and Metallurgical Industries	34,86.89	46,46.94
Miscellaneous General Services	21,59.32	38,85.33
Education, Sports, Art and Culture	3,66.86	3,17.74
Medical and Public Health	2,23.65	4,05.29
Other Administrative Services	1,86.38	93.09
Police	1,46.79	1,69.82
Dividends and Profits	1,14.62	93.75
Other Rural Development Programmes	1,06.90	1.45
Housing	1,01.36	0.92
Public Service Commission	84.40	0.01
Labour and Employment	61.36	56.06
Forestry and Wild Life	53.29	60.62
Roads and Bridges	46.17	34.08
Other General Economic Services	45.32	29.48
Industries	21.73	3.04
Urban Development	21.09	8.60
Major Irrigation	17.76	31.58
Interest Receipts	17.56	59.51
Crop Husbandry	13.95	14.01
Medium Irrigation	13.28	3.90
Other Social Services	10.90	8.89
Power	9.39	7.75
Civil Supplies	6.92	4.68

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

I. Tax and Non-Tax Receipts

Description	Actuals	
	2019-20	2018-19
		(₹ in Crore)
Public Works	6.70	11.58
Co-operation	5.42	10.09
Social Security and Welfare	5.40	3.83
Contributions and Recoveries towards Pension and other Retirement Benefits	5.32	7.44
Tourism	4.87	18.51
Civil Aviation	4.23	4.03
Land Reforms	3.63	3.02
Minor Irrigation	1.96	5.72
Fisheries	1.75	2.08
Stationery and Printing	1.69	1.58
Water Supply and Sanitation	1.20	1.38
Food Storage and Warehousing	0.73	...
Animal Husbandry	0.57	0.65
Jails	0.43	0.27
Village and Small Industries	0.35	0.23
Information and Publicity	0.06	0.24
Family Welfare	0.06	0.23
Other Agricultural Programmes	0.05	...
Inland Water Transport	...	...
Coal and Lignite	...	...
Total- B	73,60.31	1,00,07.42

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)
II. Grants from Government of India

Description	Actuals	
	2019-20	2018-19
		(₹ in Crore)
C. Grants-		
Grants-in-aid from Central Government-		
Centrally Sponsored Schemes		
Central Assistance/Share	57,17.66	55,07.41
Other Receipts	11.24	...
Finance Commission Grants		
Grants for Rural Local Bodies	15,70.58	10,71.59
Grants for Urban Local Bodies	11,60.95	5,08.04
Grants in aid for State Disaster Response Fund	4,87.50	2,26.50
Other Transfer/Grants to States/Union Territories with Legislatures		
Grants under Proviso to Article 275(1) of the Constitution	99.73	32.49
Grants from Central Road Fund	2,34.06	2,79.08
Grants to cover gap in resources	0.43	...
Special Assistance	53.11	5,52.68
Compensation for loss of revenue arising out of implementation of GST	22,63.16	...
Total- C	1,15,98.42	81,77.79
Total Revenue Receipts (A+B+C)	10,25,43.81	10,14,20.16

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

III. Capital , Public Debt and other Receipts

Description	Actuals	
	2019-20	2018-19
D. Capital Receipts-		(₹ in Crore)
Others	...	...
Disinvestment Proceeds	...	...
Total- D	...	...
E. Public Debt		
Internal Debt of the State Government-		
Market Loans	3,71,09.00	2,67,41.80
Loans from the National Bank for Agricultural and Rural Development	9,65.93	13,61.77
Loans from National Co-operative Development Corporation	3.39	1.66
Loans from other Institutions	...	6,00.00
Ways and Means Advances from the Reserve Bank of India	3,72,47.59	2,18,23.27
Loans and Advances from the Central Government-		
Loans for State Plan/Union territory Plan Schemes(Block Loans) ⁽¹⁾	...	(-)6,36.68 ⁽²⁾
Other Loans for States/Union Territory with Legislature Schemes(Block Loans) ⁽¹⁾	2,07.46	10,70.14
Total- E	7,55,33.37	5,09,61.96
F. Loans and Advances by State Government (Recoveries)⁽³⁾	61.95	65.82
G. Inter-State Settlement	...	...
Total- Receipts in Consolidated Fund (A+B+C+D+E+F+G)	17,81,39.13	15,24,47.94

(1) All Central Loans for Plan Schemes, including Central Plan Schemes and Centrally Sponsored Plan Schemes are booked under 'Block Loans'.

(2) Includes an amount of ₹10,70.14 crore, loans released and classified under SMH(02) to SMH(09) as per CGA correction slip No 832, dated 06-01-2017.

(3) Details are in Statements 7(Volume I) and 18(Volume II).

4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION

Description	Revenue	Capital	L&A	Total
				(<i>₹ in Crore</i>)
A. General Services				
A.1 Organs of State				
Parliament/State/Union Territory Legislatures	89.63	...	...	89.63
President, Vice-President/Governor, Administrator of Union Territories	13.01	...	...	13.01
Council of Ministers	35.04	...	...	35.04
Administration of Justice	5,56.44	...	...	5,56.44
Elections	3,20.09	...	...	3,20.09
A.2 Fiscal Services				
Land Revenue	97.29	...	...	97.29
Stamps and Registration	90.04	...	...	90.04
State Excise	2,54.49	...	...	2,54.49
Taxes on Sales, Trade etc.	2,08.16	...	...	2,08.16
Taxes on Vehicles	1,29.33	...	...	1,29.33
Other Taxes and Duties on Commodities and Services	6.97	...	...	6.97
Other Fiscal Services	...	...	...	...
A.3 Interest payment and Servicing of Debt				
Appropriation for reduction or avoidance of debt	3,00.00	...	...	3,00.00
Interest Payments	1,43,85.56	...	...	1,43,85.56
A.4 Administrative Services				
Public Service Commission	24.99	...	...	24.99
Secretariat - General Services	1,88.97	...	...	1,88.97
District Administration	12,98.86	...	...	12,98.86
Treasury and Accounts Administration	1,72.75	...	...	1,72.75
Police	55,94.92	2,88.88	...	58,83.80
Jails	1,09.48	...	...	1,09.48
Stationery and Printing	53.63	...	...	53.63
Public Works	1,94.06	2,17.47	...	4,11.53
Vigilance	36.43	...	...	36.43
Other Administrative Services	4,63.17	1,39.19	...	6,02.36
A.5 Pension & Misc. General Services				
Pensions and Other Retirement Benefits	1,18,33.75	...	...	1,18,33.75
Miscellaneous General Services	(-)16.04	...	93.09	77.05
Total-General Services	3,64,41.02	6,45.54	93.09	3,71,79.65
B. Social Services				
B.1 Education, Sports, Art and Culture				
General Education	1,17,45.95	2,69.19	...	1,20,15.14
Technical Education	3,32.66	7.24	...	3,39.90
Sports and Youth Services	64.77	4.16	...	68.93
Art and Culture	1,06.09	1.63	...	1,07.72
B.2 Health & Family Welfare				
Medical and Public Health	39,62.74	2,31.88	7,20.12	49,14.74
Family Welfare	19,87.26	...	...	19,87.26

4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION

Description		Revenue	Capital	L&A	Total
					<i>(₹ in Crore)</i>
B.3	Water Supply, Sanitation, Housing and Urban Development				
	Water Supply and Sanitation	2,30.15	7,44.28	36,35.73	46,10.16
	Housing	4,60.05	11.87	9,91.77	14,63.69
	Urban Development	21,65.95	...	95.72	22,61.67
B.4	Information and Broadcasting				
	Information and Publicity	1,82.88	...	...	1,82.88
B.5	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities				
	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	98,53.03	4,80.59	...	1,03,33.62
B.6	Labour and Labour Welfare				
	Labour, Employment and Skill Development	1,59.17	...	...	1,59.17
B.7	Social Welfare & Nutrition				
	Social Security and Welfare	98,46.57	4.54	...	98,51.11
	Nutrition	27,37.54	...	...	27,37.54
	Relief on account of Natural Calamities	18,36.16	...	...	18,36.16
B.8	Others				
	Other Social Services	1,28.67	9.28	...	1,37.95
	Secretariat-Social Services	33.16	...	...	33.16
	Total -Social Services	4,58,32.80	17,64.66	54,43.34	5,30,40.80
C	Economic Services				
C.1	Agriculture and Allied Activities				
	Crop Husbandry	1,31,11.51	...	2,51.29	1,33,62.80
	Soil and Water Conservation	1,08.79	...	...	1,08.79
	Animal Husbandry	4,09.89	7.18	8,20.64	12,37.71
	Dairy Development	3.05	...	68.49	71.54
	Fisheries	33.10	...	1,22.24	1,55.34
	Forestry and Wild Life	2,87.45	62.29	...	3,49.74
	Food Storage and Warehousing	3.48	...	...	3.48
	Agricultural Research and Education	3,73.26	...	...	3,73.26
	Co-operation	87.22	1.42	...	88.64
	Other Agricultural Programmes	10,04.18	65.31	...	10,69.49
C.2	Rural Development				
	Special Programmes for Rural Development	2,18.89	...	...	2,18.89
	Land Reforms	9.95	...	...	9.95
	Other Rural Development Programmes	35,16.09	10,08.05	...	45,24.14
C.4	Irrigation & Flood Control				
	Major Irrigation	3,02.66	83,74.66	6,88.18	93,65.50
	Medium Irrigation	...	1,16.46	...	1,16.46
	Minor Irrigation	27.55	9,95.55	...	10,23.10
	Command Area Development	14.67	...	...	14.67
	Flood Control and Drainage	...	1.01	...	1.01
C.5	Energy				
	Power	51,92.01	20,00.00	3,44.83	75,36.84

4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION

Description	Revenue	Capital	L&A	Total
				(<i>₹ in Crore</i>)
New and Renewable Energy	30.13	...	...	30.13
C.6 Industry & Minerals				
Village and Small Industries	2,22.59	...	...	2,22.59
Industries	2,21.38	...	...	2,21.38
Non-Ferrous Mining and Metallurgical Industries	1,64.52	...	...	1,64.52
Consumer Industries	...	2.00	...	2.00
Other Industries	3.14	62.93	2,22.72	2,88.79
C.7 Transport				
Civil Aviation	21.92	1.09	...	23.01
Roads and Bridges	3,60.07	9,56.63	...	13,16.70
Road Transport	4,60.00	...	5,71.20	10,31.20
C.9 Science & Technology and Environment				
Other Scientific Research	7.92	...	...	7.92
Ecology and Environment	0.86	...	...	0.86
C.10 General Economic Services				
Secretariat-Economic Services	1,60.45	...	...	1,60.45
Tourism	20.47	...	...	20.47
Foreign Trade and Export Promotion	0.95	...	...	0.95
Census, Surveys and Statistics	50.38	...	...	50.38
Civil Supplies	82.61	...	...	82.61
Other General Economic Services	12.91	7,94.03	...	8,06.94
Total-Economic Services	2,65,24.05	1,44,48.61	30,89.59	4,40,62.25
D. Grants-in-Aid & Contributions				
Compensation & Assignments to Local Bodies and Panchayati Raj Institutions	...	...	...	...
E. Loans to Government Servants, etc.				
Loans to Government Servants etc.	...	...	73.76	73.76
F. Public Debt				
Internal Debt of the State Government	...	...	4,53,00.64	4,53,00.64
Loans and Advances from the Central Government	...	...	4,39.39	4,39.39
Total- Grants in Aid & Contributions, Loans to Government Servants and Public Debt	...	...	4,58,13.79	4,58,13.79
G. Inter State Settlement	...	...	7.91	7.91
Total- Consolidated Fund Expenditure	10,87,97.87	1,68,58.81	5,44,47.72	18,01,04.40

**4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)
BY FUNCTION AND NATURE**

B. EXPENDITURE BY NATURE

Object of Expenditure	2019-20			2018-19			2017-18		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
<i>(₹ in Crore)</i>									
Grants-in-Aid	4,49,61.06	5.86	4,49,66.92	3,78,59.20	48.60	3,79,07.80	3,00,80.06	3,35.86	3,04,15.92
Pensionary Charges	1,74,87.53 ⁽¹⁾	...	1,74,87.53	1,46,76.15	...	1,46,76.15	1,65,76.06	...	1,65,76.06
Salaries	1,70,42.26	3,40.85	1,73,83.11	1,62,40.23	3,07.92	1,65,48.15	1,59,52.39	2,95.37	1,62,47.76
Interest	1,43,50.39	...	1,43,50.39	1,25,56.75	...	1,25,56.75	1,08,00.95	...	1,08,00.95
Major Works	...	1,10,72.16	1,10,72.16	...	1,53,06.80	1,53,06.80	0.05	1,92,92.97	1,92,93.02
Subsidies	68,45.67	...	68,45.67	63,03.57	...	63,03.57	61,58.59	...	61,58.59
Other Charges	32,15.31	16,80.77	48,96.08	11,88.23	30,89.52	42,77.75	13,85.89	5,26.68	19,12.57
Scholarships and Stipends	28,84.12	...	28,84.12	28,07.58	...	28,07.58	28,07.20	...	28,07.20
Minor Works	7,59.49	17,33.34	24,92.83	5,85.00	3,51.20	9,36.20	6,89.50	1,53.28	8,42.78
Investments	...	20,52.96	20,52.96	...	33,88.55	33,88.55	...	32,90.20	32,90.20
Professional Services	17,30.84	4.83	17,35.67	17,17.26	3.53	17,20.79	13,83.40	7.48	13,90.88
Contributions	15,94.01	...	15,94.01	16,00.68	...	16,00.68	4,79.35	...	4,79.35
Cost of Ration / Diet Charges	8,20.26	...	8,20.26	8,10.85	...	8,10.85	7,75.45	...	7,75.45
Other Contractual Services	7,65.99	23.18	7,89.17	7,15.35	23.91	7,39.26	5,65.01	22.67	5,87.68
Office Expenses	6,48.76	21.19	6,69.95	7,15.83	31.45	7,47.28	4,64.29	26.54	4,90.83
Transfer to Reserve Funds	6,50.00	...	6,50.00	3,02.00	...	3,02.00	58.40	...	58.40
Supplies and Materials	5,91.93	29.57	6,21.50	5,70.96	1,25.50	6,96.46	7,22.27	16.22	7,38.49
Domestic Travel Expenses	3,35.24	7.37	3,42.61	3,96.33	11.73	4,08.06	2,30.49	11.01	2,41.50
Advertisements, Sales and Publicity Expenses	1,78.09	11.06	1,89.15	2,55.38	35.22	2,90.60	2,97.40	41.18	3,38.58
Petrol, Oil and Lubricants	1,34.45	0.76	1,35.21	1,39.25	0.89	1,40.14	81.16	0.82	81.98
Machinery and Equipment	26.44	94.30	1,20.74	36.51	1,70.84	2,07.35	44.68	1,89.07	2,33.75
Rents, Rates and Taxes	91.82	0.75	92.57	1,10.05	1.14	1,11.19	1,13.54	1.07	1,14.61
PRC Arrears	77.50	0.13	77.63	9,37.49	13.60	9,51.09	7,50.55	15.79	7,66.34
User Charges	76.89	...	76.89	53.05	...	53.05	28.42	...	28.42
Wages	53.13	1.40	54.53	56.09	1.53	57.62	60.59	1.64	62.23
Motor Vehicles	37.37	0.40	37.77	30.10	4.20	34.30	51.77	4.32	56.09
Secret Service Expenditure	37.75	...	37.75	65.65	...	65.65	32.13	...	32.13
Arms and Ammunition	29.51	...	29.51	10.49	...	10.49	9.09	0.64	9.73
Publications	26.61	0.04	26.65	21.29	0.08	21.37	14.79	0.09	14.88
Clothing, Tentage and Store	19.52	0.01	19.53	17.14	0.01	17.15	27.74	0.01	27.75

**4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)
BY FUNCTION AND NATURE**

B. EXPENDITURE BY NATURE

Object of Expenditure	2019-20			2018-19			2017-18		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
<i>(₹ in Crore)</i>									
Other Administrative Expenses	15.69	0.11	15.80	11.71	0.38	12.09	9.03	0.74	9.77
Rewards	3.80	...	3.80	1.67	...	1.67	1.64	...	1.64
Foreign Travel Expenses	0.57	...	0.57	0.12	...	0.12	0.31	...	0.31
PRC Arrears to Work Charged Employees	0.26	...	0.26	4.71	3.01	7.72	...	...	...
Write Off	0.06	...	0.06	0.13	...	0.13	0.12	...	0.12
Deduct Recoveries of unspent balances	...	...	...	(-1.18)	...	(-1.18)	(-0.11)	...	(-0.11)
Deduct - Recoveries	(-83.25)	...	(-83.25)	(-25.90)	...	(-25.90)	(-64.16)	(-0.09)	(-64.25)
Inter Account Transfers	(-66,11.20 ⁽¹⁾)	(-2,22.23)	(-68,33.43)	(-36,86.64)	(-2,79.08)	(-39,65.72)	(-52,23.32)	(-3,31.54)	(-55,54.86)
Total	10,87,97.87	1,68,58.81	12,56,56.68	9,70,83.08	2,26,40.53	11,97,23.61	8,53,64.72	2,39,02.02	10,92,66.74

Note: Grants-in-Aid under Revenue Account includes expenditure of ₹40,83.85 crore (Salaries-₹38,39.06 crore, Professional Services-₹126.45 crore, Domestic Travel Expenses-₹64.05 crore, Office Expenses-₹17.65 crore, Other Charges-₹16.55 crore, Wages-₹14.64 crore, Petrol, Oil and Lubricants-₹1.89 crore, PRC Arrears- ₹1.84 crore, Minor Works- ₹1.67 crore and Other Contractual Services- ₹0.05 crore incurred under Minor Heads 191, 192, 193, 196, 197 & 198).

⁽¹⁾ Inter account transfer includes amount of ₹3,606.74 crore representing share of pension reimbursed by Andhra Pradesh during the year.

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
							(` in Crore)
A Capital Account of General Services							
4055	Capital Outlay on Police	2,85.47	16,01.93	...	2,88.88	18,90.81	1.19
			10,30.80			10,30.80	...
4058	Capital Outlay on Stationery and Printing	...	1.33	...	...	1.33	...
			6.16			6.16	
4059	Capital Outlay on Public Works	2,73.35	5,12.87	...	2,17.47	7,30.34	(-)20.44
			10,21.68			10,21.68	
4070	Capital Outlay on Other Administrative Services	1,44.26	3,99.93	...	1,39.19	5,39.12	(-)3.51
			8,14.37			8,14.37	
	Total - A	7,03.08	25,16.06	...	6,45.54	31,61.60	(-)8.18
			28,73.01			28,73.01	...
B Capital Account of Social Services							
(a) Capital Account of Education, Sports, Art and Culture							
4202	Capital Outlay on Education, Sports, Art and Culture	2,78.76	10,95.79	...	2,82.22	13,78.01	1.24
			13,11.07			13,11.07	...
	Total- (a)	2,78.76	10,95.79	...	2,82.22	13,78.01	1.24
			13,11.07			13,11.07	...

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
<i>(` in Crore)</i>							
(b) Capital Account of Health and Family Welfare							
4210	Capital Outlay on Medical and Public Health	4,62.82	12,59.65	...	2,31.88	14,91.53	(-)49.90
			12,21.70			12,21.70	...
4211	Capital Outlay on Family Welfare	...	0.02	...	...	0.02	...
			56.84			56.84	
Total- (b)		4,62.82	12,59.67	...	2,31.88	14,91.55	(-)49.90
			12,78.54			12,78.54	...
(c) Capital Account of Water supply, Sanitation, Housing and Urban Development							
4215	Capital Outlay on Water Supply and Sanitation	42,36.40	98,23.72	...	7,44.28	1,05,68.00	(-)82.43
			31,85.93			31,85.93	...
4216	Capital Outlay on Housing	16.62	2,18.64	...	11.87	2,30.51	(-)28.58
			2,96.81			2,96.81	
4217	Capital Outlay on Urban Development	...	8.03	...	...	8.03	...
			7.65			7.65	
Total- (c)		42,53.02	1,00,50.39	...	7,56.15	1,08,06.54	(-)82.22
			34,90.39			34,90.39	...
(d) Capital Account of Information and Broadcasting							
4220	Capital Outlay on Information and Publicity	...	13.78	...	...	13.78	...
			6.50			6.50	...

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
(` in Crore)							
	Total- (d)	...	13.78 6.50	...	...	13.78 6.50	......
	(e) Capital Account of Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes						
4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	6,17.66	21,07.80 35,55.63	...	4,80.59	25,88.39 35,55.63	(-)22.19 ...
	Total- (e)	6,17.66	21,07.80 35,55.63	...	4,80.59	25,88.39 35,55.63	(-)22.19 ...
	(g) Capital Account of Social Welfare						
4235	Capital Outlay on Social Security and Welfare	6.54	1,40.40 3,11.85	...	4.54	1,44.94 3,11.85	(-)30.58 ...
	Total- (g)	6.54	1,40.40 3,11.85	...	4.54	1,44.94 3,11.85	(-)30.58 ...
	(h) Capital Account of other Social Services						
4250	Capital Outlay on Other Social Services	1.23	21.25 4,83.22	...	9.28	30.53 4,83.22	654.47 ...

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
<i>(` in Crore)</i>							
	Total-(h)	1.23	21.25 4,83.22	...	9.28	30.53 4,83.22	654.47 ...
	Total - B	56,20.03	1,46,89.08 1,04,37.20	...	17,64.66	1,64,53.74 1,04,37.20	(-)68.60 ...
C	Capital Account of Economic Services						
(a)	Capital Account of Agriculture and Allied Activities						
4401	Capital Outlay on Crop Husbandry	6,80.61	11,76.80 59.07	...	...	11,76.80 59.07	(-)100.00 ...
4402	Capital Outlay on Soil and Water Conservation	...	... 0.01	...	...	... 0.01	...
4403	Capital Outlay on Animal Husbandry	10.09	97.28 59.74	...	7.18	1,04.46 59.74	(-)28.84
4404	Capital Outlay on Dairy Development	...	... 69.60	...	...	... 69.60	...
4405	Capital Outlay on Fisheries	1.03	1.03 60.97	...	...	1.03 60.97	(-)100.00
4406	Capital Outlay on Forestry and Wild Life	2,17.20	2,36.77 1,13.12	...	62.29	2,99.06 1,13.12	(-)71.32
4408	Capital Outlay on Food Storage and Warehousing	...	... 9.19	...	...	... 9.19	...
4415	Capital Outlay on Agricultural Research and Education	14.00	14.00 25.00	...	...	14.00 25.00	(-)100.00

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
<i>(` in Crore)</i>							
4425	Capital Outlay on Co-operation	...	22.50	...	1.42	23.92	142.00
			3,25.19			3,25.19	
4435	Capital Outlay on Other Agricultural Programmes	88.74	8,43.36	...	65.31	9,08.67	(-)26.40
			51.11			51.11	
	Total- (a)	10,11.67	23,91.74	...	1,36.20	25,27.94	(-)86.54
			7,73.00			7,73.00	...
(b)	Capital Account of Rural Development						
4515	Capital Outlay on Other Rural Development Programmes	19,96.06	33,58.49	...	10,08.05	43,66.54	(-)49.50
			18,52.76			18,52.76	...
	Total- (b)	19,96.06	33,58.49	...	10,08.05	43,66.54	(-)49.50
			18,52.76			18,52.76	...
(d)	Capital Account of Irrigation and Flood Control						
4700	Capital Outlay on Major Irrigation	78,22.18	4,09,39.46	...	83,74.66	4,93,14.12	7.06
			8,77,07.45			8,77,07.45	...
4701	Capital Outlay on Medium Irrigation	1,96.20	7,96.46	...	1,16.46	9,12.92	(-)40.64
			48,68.00			48,68.00	
4702	Capital Outlay on Minor Irrigation	10,81.49	63,29.93	...	9,95.55	73,25.48	(-)7.95
			95,47.74			95,47.74	

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
(` in Crore)							
4705	Capital Outlay on Command Area Development	...	1.14 2,38.99	...	...	1.14 2,38.99	...
4711	Capital Outlay on Flood Control Projects	17.91	2,81.51 26,41.02	...	1.01	2,82.52 26,41.02	(-)94.36
Total- (d)		91,17.78	4,83,48.50 10,50,03.20	...	94,87.68	5,78,36.18 10,50,03.20	4.06 ...
(e) Capital Account of Energy							
4801	Capital Outlay on Power Projects	24,00.00	1,64,90.34 53,27.94	...	20,00.00	1,84,90.34 53,27.94	(-)16.67 ...
4810	Capital Outlay on New and Renewable Energy	...	0.05 0.59	...	...	0.05 0.59	......
Total- (e)		24,00.00	1,64,90.39 53,28.53	...	20,00.00	1,84,90.39 53,28.53	(-)16.67 ...
(f) Capital Account of Industry and Minerals							
4851	Capital Outlay on Village and Small Industries	...	7.75 75.81	...	...	7.75 75.81	......
4852	Capital Outlay on Iron and Steel Industries	...	... 4.73	...	...	... 4.73	......
4853	Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	...	... 8,91.27	...	...	... 8,91.27	......

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
<i>(` in Crore)</i>							
4854	Capital Outlay on Cement and Non-Metallic Mineral Industries	...	...	...	...	...	...
			0.22			0.22	
4855	Capital Outlay on Fertilizer Industries	...	...	...	...	...	...
			27.46			27.46	
4858	Capital Outlay on Engineering Industries	...	...	...	...	...	...
			37.42			37.42	
4859	Capital Outlay on Telecommunications and Electronic Industries	...	...	...	...	...	...
			12.88			12.88	
4860	Capital Outlay on Consumer Industries	1.75	66.10	...	2.00	68.10	14.29
			3,48.20			3,48.20	
4875	Capital Outlay on Other Industries	64.91	1,66.13	...	62.93	2,29.06	(-)3.05
			6,01.45			6,01.45	
4885	Other Capital Outlay on Industries and Minerals	...	...	...	...	...	...
			71.68			71.68	
	Total- (f)	66.66	2,39.98	...	64.93	3,04.91	(-)2.60
			20,71.12			20,71.12	...
(g)	Capital Account of Transport						
5051	Capital Outlay on Ports and Light Houses	...	...	...	...	...	...
			8,65.91			8,65.91	
5053	Capital Outlay on Civil Aviation	...	15.18	...	1.09	16.27	109.00
			72.24			72.24	

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
<i>(` in Crore)</i>							
5054	Capital Outlay on Roads and Bridges	10,24.23	80,19.72	...	9,56.63	89,76.35	(-)6.60
			1,71,82.89			1,71,82.89	
5055	Capital Outlay on Road Transport	...	12,21.10	...	...	12,21.10	...
			1,82.84			1,82.84	
5056	Capital Outlay on Inland Water Transport	...	...	...	...	...	...
			7.81			7.81	
	Total- (g)	10,24.23	92,56.00	...	9,57.72	1,02,13.72	(-)6.49
			1,83,11.69			1,83,11.69	...
(j)	Capital Account of General Economic Services						
5452	Capital Outlay on Tourism	...	19.33	...	...	19.33	...
			23.35			23.35	...
5453	Capital Outlay on Foreign Trade and Export Promotion	...	...	...	...	...	...
			13.00			13.00	
5465	Investments in General Financial and Trading Institutions	...	...	...	...	...	...
			28.96			28.96	
5475	Capital Outlay on Other General Economic Services	7,01.02	45,66.88	...	7,94.03	53,60.91	13.27
			46,33.85			46,33.85	
	Total- (j)	7,01.02	45,86.21	...	7,94.03	53,80.24	13.27
			46,99.16			46,99.16	...

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(Figures in **bold** represent un-apportioned expenditure)

Major Head	Description	Expenditure during 2018-19	Progressive Expenditure ending 2018-19	Amount allocated to Telangana during the year	Expenditure during 2019-20	Progressive Expenditure ending 2019-20	Percentage Increase(+)/ Decrease(-)
							(` in Crore)
	Total - C	1,63,17.42	8,46,71.31 13,80,39.46	...	1,44,48.61	9,91,19.92 13,80,39.46	(-)11.45 ...
	Total Expenditure Capital Account	2,26,40.53	10,18,76.45 15,13,49.67	...	1,68,58.81	11,87,35.26 15,13,49.67	(-)25.54 ...

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

EXPLANATORY NOTES

1. During the year 2019-20, Government of Telangana invested ₹20,52.78 crore in Government Companies and ₹0.18 crore in Co-operative Institutions and Local Bodies, total investment being ₹20,52.96 crore. Further details about investments are given in Statement No.19.
2. The expenditure under Capital Heads of account excludes the amount of investments made upto 01 June 2014 in erstwhile Andhra Pradesh amounting to ₹84,01.21 crore pending apportionment.
3. Expenditure figure under the Major Head 5054-Capital outlay on Roads and Bridges include an amount of ₹1.95 crore met out of advance from the Contingency Fund during the year 2018-19 and recouped to the Fund during the current year.
4. The major increase in respect of the Capital Expenditure heads over previous year is as under:

Head of Account	Increase (₹ in Crore)	Reasons
B. Capital Account of Social Services		
<i>(h) Capital Account of Other Social Services</i>		
4250 Capital Outlay on other Social Services	8.05	Mainly due to incurring more expenditure for construction of Buildings for Industrial Training Institutes (ITIs).
C. Capital Accounts of Economic Services		
<i>(d) Capital Account of Irrigation and Flood Control</i>		
4700 Capital Outlay on Major Irrigation	5,52.48	Overall increase in expenditure was mainly due to incurring more expenditure on eight Major Irrigation Projects (details in Statement 16, page numbers 280 to 288).
 <i>(j) Capital Account of General Economic Services</i>		
5475 Capital Outlay on other General Economic Services	93.01	Increase in expenditure was mainly due to incurring more expenditure on Special Development Fund for welfare and development activities. Revenue expenditure (Constitutional Development Fund) was being booked as capital expenditure (refer Notes to Accounts 2 (ii) page 67).

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

EXPLANATORY NOTES

5. The above increase was partly offset by decrease under:

Head of Account	Decrease (₹ in Crore)	Reasons
B. Capital Account of Social Services		
<i>(b) Capital Account of Health and Family Welfare</i>		
4210 Capital Outlay on Medical and Public Health	2,30.94	Decrease was mainly due to less expenditure on medical infrastructure (details in Statement 16, page numbers 208 to 219). The decrease in expenditure was in spite of revenue expenditure (Purchase of Surgical Consumables, Diagnostic reagents and disposables) being booked as capital expenditure (refer Notes to Accounts 2 (ii) page 67).
<i>(c) Capital Account of Water Supply, Sanitation, Housing and Urban Development</i>		
4215 Capital Outlay on Water Supply and Sanitation	34,92.12	Decrease in expenditure was mainly due to nil expenditure on Swatch Bharath Mission-Gramin(SBM-G) and National Rural Drinking Water Programme (NRDWP) (details in Statement 16, page numbers 221 to 227).
<i>(e) Capital Account of Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes</i>		
4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1,37.07	Decrease in expenditure was mainly due to less expenditure on Integrated Residential Schools, Girijan Bhavans, Buildings for School Complex, etc (details in Statement 16, page numbers 234 to 245).
<i>(a) Capital Account of Agriculture and Allied Activities</i>		
4401 Capital Outlay on Crop Husbandry	6,80.61	Decrease was due to nil capital expenditure on Crop Husbandry (details in Statement 16, page numbers 253 to 257).

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

EXPLANATORY NOTES

4406	Capital Outlay on Forestry and Wild Life	1,54.91	Decrease was mainly due to nil expenditure on Zoological Park and less expenditure on Afforestation Fund (details in Statement 16, page numbers 263 to 264).
	<i>(b) Capital Account of Rural Development</i>		
4515	Capital Outlay on other Rural Development Programmes	9,88.01	Decrease was mainly due to less expenditure on Construction of Panchayat Raj Rural Roads, Pradhan Mantri Gram Sadak Yojana (PMGSY), 'Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), 'Assistance to Mandal Praja Parishads for Construction of Buildings and Construction of New Roads and Construction of Rural Roads (details in Statement 16, page numbers 272 to 279). Revenue expenditure (Mahatma Gandhi National Rural Employment Guarantee Act) was being booked as capital expenditure (refer Notes to Accounts 2 (ii) page 67).
	<i>(e) Capital Account of Energy</i>		
4801	Capital Outlay on Power Projects	4,00.00	Decrease was due to less Investments in DISCOMS (details in Statement 16, page numbers 316 to 319).

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

(i) Statement of Public Debt and Other Liabilities ⁽¹⁾

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

Nature of Borrowings	Balance as on 01 April 2019	Balance Allocated to Telangana during the year	Receipts During the year	Repayments During the year	Balance as on 31 March 2020	Net Increase(+)/ Decrease(-)		As a per cent of Total Liabilities
						Amount	Per cent	
<i>(₹ in Crore)</i>								
A. Public Debt								
6003 Internal Debt of the State Government								
Market Loans	13,37,19.59	...	3,71,09.00	64,11.71	16,44,16.88	3,06,97.29	22.96	70.81
			
WMA from the RBI	0.00	...	3,72,47.59	3,72,47.59	0.00	0.00	0.00	0.00
			
Bonds	89,22.97	...	0.00	0.01	89,22.96	(-)0.01	0.00	3.84
			
Loans from Financial Institutions	47,21.23 (-6.97)	...	9,69.32	6,76.89	50,13.66 (-6.97)	2,92.43	6.19	2.16
Special Securities issued to National Small Savings Fund	88,59.68	...	0.00	8,27.30	80,32.38	(-)8,27.30	(-)9.34	3.46
			
Other Loans	7,10.08	...	0.00	1,37.14	5,72.94	(-)1,37.14	(-)19.31	0.25
	(-88.20)				(-88.20)			
6004 Loans and Advances from the Central Government								
01 Non-Plan Loans	16.55	...	0.00	2.20	14.35	(-)2.20	(-)13.29	0.01
	1.75				1.75			
02 Loans for State Plan Schemes	71,44.16	...	0.00	4,37.19	67,06.97	(-)4,37.19	(-)6.12	2.89
			
03 Loans for Central Plan Schemes	...	...	...	...	...	...	...	...
	3.59				3.59			

(1) A more detailed account is given in Statement No 17.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

Nature of Borrowings	Balance as on 01 April 2019	Balance Allocated to Telangana during the year	Receipts During the year	Repayments During the year	Balance as on 31 March 2020	Net Increase(+)/ Decrease(-)		As a per cent of Total Liabilities
						Amount	Per cent	
<i>(₹ in Crore)</i>								
A. Public Debt								
6004 Loans and Advances from the Central Government-								
04 Loans for Centrally Sponsored Plan Schemes	...	...	...	...	...	...	...	...
07 Pre-1984 -85 Loans	...	...	...	...	...	...	...	...
	8.74				8.74			
09 Other loans for States/Union Territory with Legislature Schemes	10,70.14	...	2,07.46	...	12,77.60	2,07.46	...	0.55
Total Public Debt (A)	16,51,64.40	...	7,55,33.37	4,57,40.03	19,49,57.74	2,97,93.33	18.04	83.97
	(-81.09)				(-81.09)			
B. Other Liabilities								
Public Accounts								
Small Savings, Provident Funds, etc.	1,01,16.67	...	26,18.29	18,34.37	1,09,00.59	7,83.92	7.75	4.69
Reserve Funds Bearing interest	...	...	37,53.70	5,27.07	36,03.70	32,26.63	8,55.71	1.55
Reserve Funds not bearing interest	3,77.07	...	15,62.20	15,55.16	15,97.96	7.04	0.44	0.69
Deposits bearing interest	...	...	18,54.32	17,13.61	25,80.64	1,40.71	5.77	1.11
	24,39.93				25,80.64			
	2,01.93				2,01.93			

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

Nature of Borrowings	Balance as on 01 April 2019	Balance Allocated to Telangana during the year	Receipts During the year	Repayments During the year	Balance as on 31 March 2020	Net Increase(+)/ Decrease(-)		As a per cent of Total Liabilities <i>(₹ in Crore)</i>
						Amount	Per cent	
B. Other Liabilities								
Public Accounts								
Deposits not bearing interest	1,72,74.37	...	5,85,48.03	5,72,82.13	1,85,40.27	12,65.90	7.33	7.99
	43,01.75				43,01.75			
Total Other Liabilities	3,17,98.96	...	6,83,36.53	6,29,12.33	3,72,23.16	54,24.20	17.06	16.03
	45,03.68				45,03.68			
Total Public Debt & Other Liabilities(A+B)	19,69,63.36	...	14,38,69.91	10,86,52.37	23,21,80.90	3,52,17.53	17.88	100.00
	44,22.59				44,22.59			

EXPLANATORY NOTES

(a). Government of Telangana has adapted “The Andhra Pradesh Fiscal Responsibility and Budget Management Act 2005” as “The Telangana Fiscal Responsibility and Budget Management Act 2005” in accordance with section 101 of Andhra Pradesh Reorganisation Act 2014 vide G.O.Ms.No.45, Law(F), dated 01 June, 2016.

(b). It is stipulated in FRBM Act as amended in Act 8 of 2011 and G.O.Ms.No.71, Finance (BG), dt.1st June, 2016 that the outstanding total liabilities do not exceed 25 per cent of the GSDP as fixed for the Financial year 2019-20 as given in the Statement of Fiscal Policy laid on the Table of Telangana State legislature in September 2019, A-Fiscal indicators – rolling Targets. The total liability excluding guarantees as per Section-2(1) of FRBM Act as percentage to GSDP during 2019-20 is 23.95 per cent against a ceiling of 25 per cent fixed, in pursuance of the recommendations of 14th Finance Commission.

(c). **Internal Debt:** This includes market loans which are long-term loans (having a currency of more than 12 months) raised in the open market. During 2019-20, twenty eight loans totaling ₹3,71,09.00 crore bearing rate of interest varying from 6.88 per cent to 8.14 per cent redeemable between the years 2025 and 2060 were raised. Repayment of fourteen market loans viz., 7.5%,7.11%,7.45%,7.83%,7.93%,7.85%,8.19%,8.10%,8.22%,8.10%, 8.26%,8.25%,8.48%,8.39% of Andhra Pradesh State Government Stock 2019 was made during the year to the extent of ₹64,11,69 crore.

Full particulars of outstanding loans are given in Statement No.17 of this compilation.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

1. **Sinking Funds:** The Government made appropriate annual contribution to the Sinking funds upto 1973-74 for amortization of Open Market Loans. The contributions to these Sinking Funds were discontinued from the year 1974-75 and the liability was being met directly from the Budget of the respective years. The Government, as per the decision taken in the conference of the Finance Secretaries of the State Governments, organized by the Reserve Bank of India in January 1999 has decided to contribute to the fund an amount equivalent to one percent of the outstanding open market loans at the end of the previous year, beginning with the Financial year 1999-2000.

The Government of Telangana decided to adopt the revised scheme of Consolidated Sinking Fund (CSF) vide G.O.Ms.No.3, Finance (DCM) 11th June, 2014. Under the scheme, CSF contribution is to be made at the rate of 0.50 per cent of the outstanding liabilities at the end of previous year. As per revised guidelines issued by the RBI vide IDMD No.3613/10.03.2012/2005-06 dated 17.05.2006 outstanding liabilities are defined to comprise of Internal Debt and Public Account liabilities of the State Government.

The balances in the Sinking Funds at the commencement of 01 April 2019 and to the end of 31 March 2020 are shown below:

<u>Sinking Fund</u>			
Balance as on 01 April 2019	Additions	Withdrawals	Balance as on 31 March 2020
49,17.62	7,50.16 ⁽¹⁾	17.05 ⁽²⁾	56,50.73

An amount of ₹56,10.26 crore was invested from the balance of ₹56,50.73 crore at the credit of Sinking Funds.

2. **Loans from Government of India:** The details of loans obtained from the Government of India are given in Statement No.17. An amount of ₹2,07.46 crore towards back to back loans was received during 2019-20 for State Schemes.

3. **Other Loans:** The loans from the Reserve Bank of India (Ways and Means Advance), the National Bank for Agriculture and Rural Development, the Life Insurance Corporation of India, other institutions and UDAY Bonds amounted to ₹1,45,09.57 crore as on 31 March 2020. The details of these loans are given in Statement No.17.

(1) The amount under additions represents contributions to CSF during the year and interest/gain on sale/purchase of securities.

(2) The amount of withdrawal represents loss on sale/purchase of securities.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

4. **Loans from National Small Savings Fund (NSSF):** As per decision taken by Government of India, Ministry of Finance in January 2017, the State Government was excluded from NSSF investments with effect from 01 April 2016. Details of transactions under NSSF during the year 2019-20 are as follows.

Receipt under NSSF: Nil
Repayments under NSSF: ₹8,27.30 crore
Interest on Loans from NSSF: ₹8,52.60 crore

The details of outstanding balances are given in Statement No.17 (MH 6003-111).

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

(ii) Other Obligations

The balances at the credit of earmarked and other funds, certain deposits to the extent they have not been invested but are merged with General Cash Balance of Government also constitute liabilities of the State Government. Such liability to the end of 31 March 2020 was ₹2,63,22.58 crore as shown below. Further details are given in Statement Nos.21 and 22.

Nature of Obligation	Balance as on 01 April 2019	Balance Allocated to Telangana during the year	Receipts	Repayments	Balance as on 31 March 2020	Net Increase(+) or Decrease(-) during the year (₹ in Crore)
(i) Interest bearing obligations such as:						
(a) General and Other Reserve Funds - Employees Welfare Fund, State Disaster response Fund, etc.,	3,77.07	...	37,53.70	5,27.07	36,03.70	32,26.63
	
(b) Other Obligations - Deposits of Local Funds, etc.,	24,39.93	...	18,54.32	17,13.61	25,80.64	1,40.70
	2,01.93				2,01.93	
(ii) Non-Interest bearing obligations such as Deposits, other Earmarked funds etc.	1,88,65.29	...	6,01,10.24	5,88,37.29	2,01,38.24	12,72.95
	43,01.75				43,01.75	
Total	2,16,82.29	...	6,57,18.26	6,10,77.97	2,63,22.58	46,40.28
	45,03.68				45,03.68	

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

(iii) Service of Debt

Interest on Debt and Other Obligations: The outstanding Gross Debt and Other Obligations and the total net amount of interest charges met from revenue during 01 April 2019 to 31 March 2020 are shown below:

	2019-20	2018-19	Net increase(+)/ decrease (-) (₹ in Crore)
(i) Gross Debt and other obligations outstanding at the end of the year			
(a) Public Debt and Small Savings, Provident Funds etc.	20,58,58.32	17,52,81.07	3,05,77.25
(b) On other obligations	2,63,22.57	2,16,82.29	46,40.28
Total(i)	23,21,80.89	19,69,63.36	3,52,17.53
(ii) Interest paid by Government			
(a) On Public Debt and Small Savings, Provident Funds etc.	1,43,82.45	1,25,79.08	18,03.37
(b) On Other obligations	3.11	7.21	(-)4.10
Total(ii)	1,43,85.56	1,25,86.29	17,99.27
(iii) Deduct			
(a) Interest received on Loans and Advances given by Government	6.03	6.82	(-)0.79
(b) Interest realized on Investment of cash balances	7.98	22.97	(-)14.99
Total(iii)	14.01	29.79	(-)15.78
(iv) Net Interest charged	1,43,71.55	1,25,56.50	18,15.05
(v) Percentage of Gross Interest(item(ii)) to total revenue receipts	16.62	12.41	4.21
(vi) Percentage of net interest(item (iv)) to total revenue receipts	16.61	12.38	4.23

There was in addition certain other receipts of ₹3.55 crore on account of interest from departmental commercial undertakings/on overdrawal of Provident Fund/Other receipts. Even after taking into account these receipts, there would still be a net burden of interest of ₹1,43,68.00 crore on Revenue (which works out to 14.01 per cent of the total revenue receipts). Details of interest paid are available in Statement.15 and interest receipts in Statement.14.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

(iv) Appropriation for Reduction or Avoidance of Debt

	2019-20	2018-19	Net increase(+)/ decrease (-) (₹in Crore)
Appropriation for reduction or avoidance of debt-contributions to Sinking Fund	3,00.00	5,00.00	(-)2,00.00

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 1 Summary of Loans and Advances: Loanee group wise

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

(₹ in Crore)

Loanee Groups ⁽¹⁾	Balance as on 01 April 2019	Balance allocated to Telangana during the year	Disbursements	Repayments	Write off of irrecoverable loans and advances	Balance as on 31 March 2020 (2+3+4) - (5+6)	Net Increase(+)/ Decrease(-)	Interest payment in arrears ⁽²⁾
1	2	3	4	5	6	7	8	9
Statutory Corporations/Govt companies	1,04,43.51	...	47,99.15	...	...	1,52,42.66	47,99.15	9,92.13
	76,28.83					76,28.83		
Universities/Academic Institutions	...	...	...	...	...	...	...	...
	19.28					19.28		
Panchayati Raj Institutions	...	...	...	...	...	...	...	...
	46.32					46.32		
Municipalities/Municipal Councils/Municipal Corporations	56,32.30	...	8,25.00	...	...	64,57.30	8,25.00	5,35.07
	1,44.86					1,44.86		
Urban Development Authorities	24,43.65	...	95.71	...	...	25,39.36	95.71	2,32.15
	36,64.05					36,64.05		
Housing Boards	...	...	...	...	...	...	...	...
	34.12					34.12		
State Housing Corporation	37,69.63	...	9,23.37	...	...	46,93.00	9,23.37	3,58.11
	1,16,36.04					1,16,36.04		
Co-operative Societies/Co-operative Corporations/ Banks	14,02.55	...	17,31.50	0.32	...	31,33.73	17,31.18	1,33.21
	12,73.40					12,73.40		
Loans to Government Servants	88.44	...	73.76	61.63	...	1,00.57	12.13	2.54
	4,00.07					4,00.07		
Others	7,29.10	...	2,51.29	...	...	9,80.39	2,51.29	69.26
	32,52.71					32,52.71		
Total – F- Loans and Advances	2,45,09.18	...	86,99.78	61.95	...	3,31,47.01	86,37.83	23,22.48
	2,80,99.68					2,80,99.68		

(1) For details please refer to Statement No.18.

(2) Interest is computed considering column (2+3) - (5+6) x 9.5 per cent. Further, interest in arrears on loans to Govt. servants has not been taken into account since Principal and Interest are recovered through pay bills. Rate of Interest is not intimated by the loanee entities. However, as it ranges between 9.5 per cent and 13.5 per cent, interest is calculated at 9.5 per cent for the purpose of depiction of arrears of interest in the above table.

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Following are the cases of a loan having been sanctioned as 'loan in perpetuity':

Sl.No.	Loanee entity	Year of Sanction	Sanction Order No.	<i>(₹ in Crore)</i>	
				Amount	Rate of Interest
...
...

Note: Information for the above Table may be treated as 'NIL'

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 2 Summary of Loans and Advances: Sector wise

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

(₹ in Crore)

Sector	Balance as on 01 April 2019	Balance allocated to Telangana during the year	Disbursements during the year	Repayments during the year	Irrecoverable loans and Write off	Balance as on 31 March 2020	Net Increase(+)/ Decrease(-)	Interest payment in arrears ⁽²⁾
1	2	3	4	5	6	7	8	9
A. General Services-								
(i) Pension and Miscellaneous General Services-								
Pension and Miscellaneous General Services	39.82	...	93.09	....	...	132.91	93.09	3.78
	0.65					0.65		
Total - Pension and Miscellaneous Services	39.82	...	...	...	...	...	...	...
	0.65					0.65		
Total - A - General Services	39.82	...	93.09	...	...	1,32.91	93.09	3.78
	0.65					0.65		
B. Social Services								
Education Sports Art and Culture	6.58	...	...	...	...	6.58	...	0.63
	2,28.51					2,28.51		
Health and Family Welfare	14,39.89	...	7,20.12	...	...	21,60.01	7,20.12	1,36.79
	5,62.16					5,62.16		
Water Supply Sanitation Housing & Urban Development	1,46,39.25	...	47,23.22	...	...	1,93,62.47	47,23.22	13,90.73
	2,03,72.49					2,03,72.49		
Information and Broad Casting	...	...	...	...	...	...	...	...
	44.36					44.36		
Social Welfare & Nutrition	47,00.00	...	...	...	...	47,00.00	...	4,46.50
	10,56.90					10,56.90		
Others	...	...	...	...	...	...	....	....
	70.47					70.47		
Total - B - Social Services	2,07,85.72	...	54,43.34	...	...	2,62,29.06	54,43.34	19,74.65
	2,23,34.89					2,23,34.89		

(2) Interest is computed considering column (2+3) - (5+6) x 9.5 per cent. Further, interest in arrears on loans to Govt. servants has not been taken into account since Principal and Interest are recovered through pay bills. Rate of Interest is not intimated by the loanee entities. However, as it ranges between 9.5 per cent and 13.5 per cent, interest is calculated at 9.5 per cent for the purpose of depiction of arrears of interest in the above table.

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 2 Summary of Loans and Advances: Sector wise

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

(₹ in Crore)

Sector	Balance as on 01 April 2019	Balance allocated to Telangana during the year	Disbursements	Repayments	Write off of irrecoverable loans and advances	Balance as on 31 March 2020 (2+3+4) - (5+6)	Net Increase(+)/ Decrease(-)	Interest payment in arrears ⁽¹⁾
1	2	3	4	5	6	7	8	9
C. Economic Services								
Agriculture and allied Services	7,35.18	...	12,62.66	0.32	...	19,97.52	12,62.34	69.81
	8,20.99					8,21.00		
Irrigation and flood control	...	...	6,88.18	...	...	6,88.18	6,88.18	...
	1,63.35					1,63.35		
Energy	7,88.20	...	3,44.83	...	.....	11,33.03	3,44.83	74.88
	20,30.35					20,30.35		
Industry and Minerals	54.20	...	2,22.72	...	...	2,76.92	2,22.71	5.15
	8,62.53					8,62.53		
Transport	16,23.84	...	5,71.20	...	...	21,95.04	5,71.20	1,54.25
	14,54.92					14,54.92		
General Economic Services	3,93.78	...	...	...	...	3,93.78	...	37.41
	22.44					22.44		
Total - C - Economic Services	35,95.20	...	30,89.59	0.32	...	66,84.47	30,89.27	3,41.50
	53,54.58					53,54.58		

(1) Interest is computed considering column (2+3) - (5+6) x 9.5 per cent. Further, interest in arrears on loans to Govt. servants has not been taken into account since Principal and Interest are recovered through pay bills. Rate of Interest is not intimated by the loanee entities. However, as it ranges between 9.5 per cent and 13.5 per cent, interest is calculated at 9.5 per cent for the purpose of depiction of arrears of interest in the above table.

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 2 Summary of Loans and Advances: Sector wise

(Figures in **bold** represent balances yet to be apportioned and retained in Andhra Pradesh)

(₹ in Crore)

Sector	Balance as on 01 April 2019	Balance allocated to Telangana during the year	Disbursements during the year	Repayments during the year	Irrecoverable loans and advances write off	Balance as on 31 March 2020	Net Increase(+)/ Decrease(-)	Interest payment in arrears ⁽¹⁾
1	2	3	4	5	6	7	8	9
D. Loans to Govt Servants								
Loans to Government Servants	88.44	...	73.76	61.63	...	1,00.57	12.13	2.55
	4,00.07					4,00.07		
Total – D - Loans to Government Servants	88.44	...	73.76	61.63	...	1,00.57	12.13	2.55
	4,00.07					4,00.07		
E. Loans for Miscellaneous Purposes								
Loans for Miscellaneous purposes	...	...	...	...	...	...	...	...
	9.49					9.49		
Total – E - Loans for Miscellaneous purposes	...	...	...	...	...	...	...	...
	9.49					9.49		
Total – F -Loans and Advances	2,45,09.18	...	86,99.78	61.95	...	3,31,47.01	86,37.83	23,22.48
	2,80,99.68					2,80,99.68		

(1) Interest is computed considering column (2+3) - (5+6) x 9.5 per cent. Further, interest in arrears on loans to Govt. servants has not been taken into account since Principal and Interest are recovered through pay bills. Rate of Interest is not intimated by the loanee entities. However, as it ranges between 9.5 per cent and 13.5 per cent, interest is calculated at 9.5 per cent for the purpose of depiction of arrears of interest in the above table.

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 3 Summary of repayments in arrears from Loanee Entities

(₹ in Crore)

Sl.No.	Loanee-Entity	Amount of arrears as on 31 March 2020			Earliest period to which arrears relate	Total loans outstanding against the entity on 31 March 2020
		Principal	Interest	Total		
1	2	3	4	5	6	7
1.	TS Police Housing Corpn	39.82	3.78	43.60	2018-19	1,32.91
2.	Sports Authority of Telangana	6.57	3.12	9.69	2014-15	6.57
3.	Aarogyasri health care trust	8,97.98	1,11.55	10,09.53	2017-18	16,18.10
4.	TS Health Medical Housing and Infrastructure Development Corporation	13.75	6.53	20.28	2014-15	13.75
5.	TS Vaidya Vidhana Parishad	5,28.16	1,50.53	6,78.69	2016-17	5,28.16
6.	Hyderabad Metro Water Supply and Sewerage Board	59,32.30	16,87.20	76,19.50	2014-15	67,57.30
7.	Telangana Drinking Water Supply Corpn Ltd	24,60.46	3,18.60	27,79.06	2017-18	52,71.19
8.	Weaker Section Housing Prg.	15,98.80	6,07.54	22,06.34	2015-16	15,98.80
9.	State Housing Corporation	14,40.06	2,11.97	16,52.03	2014-15	22,70.34
10.	Ts Rajiv Swagruha Corp. Ltd.	7,55.62	2,36.91	9,92.53	2015-16	9,17.11
11.	TS PHRC	8.37	3.56	11.93	2014-15	8.37

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 3 Summary of repayments in arrears from Loanee Entities

(₹ in Crore)

Sl.No.	Loanee-Entity	Amount of arrears as on 31 March 2020			Earliest period to which arrears relate	Total loans outstanding against the entity on 31 March 2020
		Principal	Interest	Total		
1	2	3	4	5	6	7
12.	Hyderabad Metro Development Authority	16,31.65	5,20.51	21,52.16	2014-15	16,32.36
13.	Hyderabad Metro Rail Limited	8,12.00	3,05.87	11,17.87	2014-15	9,07.00
14.	SC Dev Corp	30,00.00	4,27.50	34,27.50	2017-18	30,00.00
15.	TRICOR	17,00.00	2,37.50	19,37.50	2017-18	17,00.00
16.	TS Sheep and Goat Dev Coop Federation Ltd	6,56.16	90.00	7,46.16	2017-18	14,76.80
17.	TS Dairy Dev Corpn Federation Ltd	8.55	0.81	9.36	2018-19	77.05
18.	TS Fishermen Coop Societies Federation Limited	27.81	2.64	30.45	2018-19	1,50.05
19.	Power Projects	5,20.92	76.79	5,97.71	2017-18	8,08.28
20.	TS TRANSCO	2,76.77	1,31.09	4,07.86	2015-16	3,34.25
21.	Co-Operative Sugar Factories	2.00	0.76	2.76	2015-16	2.00
22.	Nzb Coop. Sugar Factory Ltd.	1.19	0.11	1.30	2018-19	1.19
23.	Sirpur Paper Mills	2.19	0.83	3.02	2015-16	2.19
24.	Horticulture Dev Corpn	70.95	9.16	80.11	2017-18	3,22.24

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

Section: 3 Summary of repayments in arrears from Loanee Entities

(₹ in Crore)

Sl.No.	Loanee-Entity	Amount of arrears as on 31 March 2020			Earliest period to which arrears relate	Total loans outstanding against the entity on 31 March 2020
		Principal	Interest	Total		
1	2	3	4	5	6	7
25	Handicraft Develop Corp	0.22	0.08	0.30	2015-16	0.22
26.	TS Industrial Infrastructure Corpn	86.26 ¹	21.28	1,07.54	2014-15	3,08.97
27.	TS LIPCO	1.02	0.20	1.22	2017-18	1.02
28.	TS Aviation Academy	5.00	0.96	5.96	2017-18	5.00
29.	TS Road Dev Corpn	2,20.81	20.98	2,41.79	2018-19	5,47.01
30.	TS Road Transport Corporation	13,59.36	3,11.52	16,70.88	2014-15	16,04.36
31.	TS Civil Supplies Corpn Ltd	3,93.78	37.41	4,31.19	2018-19	3,93.78

Note: 1. The above details are for the loans given by Govt of Telangana after the State was formed on 2nd June, 2014

2. Rate of Interest is not intimated by the loanee entities. However, as it ranges between 9.5 per cent and 13.5 per cent, interest is calculated at 9.5 per cent for the purpose of depiction of arrears of interest in the above table.

¹ Differs from last year balance by ₹ (-)5.00 crore which was wrongly included under this item.

8. STATEMENT OF INVESTMENTS OF THE GOVERNMENT

Comparative summary of Government Investment in the Share Capital and Debentures of different concerns for
2018 -19 and 2019-20

(₹ in Crore)

Name of the Concern	2019-20			2018-19		
	Number of Concerns	Investment at the end of the year	Dividend/ interest received during the year	Number of Concerns	Investment at the end of the year	Dividend/ interest received during the year
						(₹ in Crore)
1 Statutory Corporations	3	12,19.00	8.25	3	12,19.00	...
		2,05.07	...		2,05.07	...
2 Rural Banks	1	26.96	...	1	26.96	...
3 Government Companies	59	2,00,48.78	88.56	59	1,79,96.00	88.56
		65,57.69	...		65,57.69	...
4 Other Joint Stock Cos & Partnerships	15	55.64	12.29	15	55.64	...
5 Co-operative Institutions and Local Bodies	65	5,39.17	5.28	65	5,38.99	5.19
		15,55.85	...		15,55.85	...
TOTAL	143	2,18,06.95 ^(S)	114.62 ⁽¹⁾	143	1,97,53.99 ^(S)	93.75
		84,01.21			84,01.21	

^(S)Investments of Government in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Societies etc. from

‘CONSOLIDATED FUND’	2,18,06.95	1,97,53.99
	84,01.21	84,01.21
‘EARMARKED FUNDS’	...	...
TOTAL	2,18,06.95	1,97,53.99
	84,01.21	84,01.21

Note:

- The investments shown in the statement depict the cash transactions appearing in the Government Accounts and may vary with those reflected in the Report of the Comptroller & Auditor General of India (Commercial) due to various factors like conversion of loan to equity or vice-versa, capitalisation of grants given in kind subsequently.
- Figures in Bold represent Investment made in undivided State of Andhra Pradesh upto 01 June 2014 and remained un-apportioned.

⁽¹⁾ Details of ₹0.24 Crore are not available.

9. STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT

Sector-wise details for Guarantees

Class(No. of Guarantees)	Maximum Amount Guaranteed	Outstanding at the beginning of the year 2019-20	Additions during the year	Deletions (other than invoked during the year)	Invoked during the year		Outstanding at the end of the year 2019-20	Guarantee Commission or Fee		Other material details
					Discharged	Not discharged		Receivable	Received	
1	2	3	4	5	6	7	8	9	10	11
(₹in Crore)										
Power	46,49.70	46,49.70	0.00	14,98.60	...	...	31,51.10	...	...	...
Co-operatives	38,47.39	38,47.39	2,24.98	4,22.86	...	...	36,49.51	...	...	...
Irrigation	3,21,30.76	3,21,30.76	1,26,30.92	0.00	...	...	4,47,61.68	...	...	...
Roads and Transport	27,70.00	27,70.00	84.00	5,91.40	...	...	22,62.60	...	...	...
Urban Development and Housing	88,21.00	88,21.00	20,55.41	4,20.01	...	...	1,04,56.40	...	...	...
Other Infrastructure	7,25.00	7,25.00	0.00	1,28.75	...	...	5,96.25	...	...	...
Other Institutions	2,43,71.01	2,43,71.01	10,06.94	6,54.70	...	...	2,47,23.25	...	...	...
Grand Total	7,73,14.86	7,73,14.86⁽¹⁾	1,60,02.25	37,16.32	...	...	8,96,00.79	...	...	...

Note:

- i) The Statement is compiled based on the Budget Document of 2020-21(Vol. V/2).
- ii) Information pertaining to column Nos. 9 and 10 have not been provided by the State Government.

⁽¹⁾ The opening balance differs with Closing Balance of the previous year by ₹398.00 crore as guarantee given to State Finance Corporation is not included.

10. STATEMENT OF GRANTS-IN-AID GIVEN BY THE GOVERNMENT

(i) Grants-in-aid paid in Cash

	Name/ Category of the Grantee	Total funds released as Grants-in-aid			Funds allocated for creation of Capital Assets out of total funds released shown in Column No.2		
		2019-20			2018-19	2019-20	2018-19
		State Fund Expenditure	Central Assistance (including CSS/CS)	Total			
(₹ in Crore)							
	1	2		3	4	5	
1	Panchayati Raj Institutions						
(i)	Zilla Parishads	41,51.52	...	41,51.52	37,46.07	...	
(ii)	Panchayat Samitis	4,79.18	...	4,79.18	3,16.61	...	
(iii)	Gram Panchayats	25,35.68	5.43	25,41.11	18,14.04	...	
(iv)	Others	1,01.48	...	1,01.48	1,19.05	0.10	
2	Urban Local Bodies						
(i)	Municipal Corporations	1,64.93	3,08.74	4,73.68	8,63.39	...	
(ii)	Municipalities/ Municipal Councils	2,97.18	...	2,97.18	2,20.89	...	
(iii)	Others	2,59.25	3,28.53	5,87.77	4,58.11	...	
3	Public Sector Undertakings						
(i)	Statutory Corporation	14,21.45	...	14,21.45	14,08.67	...	
4	Autonomous Bodies						
(i)	Universities	9,64.60	...	9,64.60	10,37.34	...	
(ii)	Development Authorities	1,48.37	6.22	1,54.59	2,35.68	...	
(iii)	Co-operative Institutions	67.52	...	67.52	2,28.95	...	
(iv)	Others	10,20.41	...	10,20.41	12,19.96	0.05	
5	Non-Government Organisations	9,60.60	0.93	9,61.53	7,74.91	...	
6	Others (not covered by items 1 to 5 above)	2,85,47.74	31,97.16	3,17,44.90	2,54,64.13	...	
	Total⁽¹⁾	4,11,19.91	38,47.01	4,49,66.92⁽²⁾	3,79,07.80	0.15	

Note: The State Government is yet to fully comply with Indian Government Accounting Standard-2, notified vide GoI Gazette notification Dated: 19-05-2011.

⁽¹⁾ Comprises the expenditure classified under the dedicated object head "310 Grants-in-Aid" across all Major Heads and totals of Minor Heads 191, 192, 193, 196, 197 and 198 (except Major Head 2700 and 2701).

⁽²⁾ This amount includes the Grants-in-aid of ₹5.86 crore classified under capital section.

10. STATEMENT OF GRANTS-IN-AID GIVEN BY THE GOVERNMENT

(ii) Grants-in-aid given in kind^(*)

Grantee Institution		Total Value	
		2019-20	2018-19
		<i>(₹ in Crore)</i>	
1.	Panchayati Raj Institutions		
(i)	Zilla Parishads		
(ii)	Panchayat Samities		
(iii)	Gram Panchayats		
2.	Urban Local Bodies		
(i)	Municipal Corporations		
(ii)	Municipalities/ Municipal Councils		
(iii)	Others		
3.	Public Sector Undertakings		
(i)	Government Companies		
(ii)	Statutory Corporations		
4.	Autonomous Bodies		
(i)	Universities		
(ii)	Development Authorities		
(iii)	Co-operative Institutions		
(iv)	Others		
5.	Non-Government Organisations		
TOTAL			

(*) Information not received from the State Government / Department.

11. STATEMENT OF VOTED AND CHARGED EXPENDITURE

	Actuals					
	2019-20			2018-19		
	<i>Charged</i>	Voted	Total	<i>Charged</i>	Voted	Total
						(₹ in Crore)
Expenditure Heads (Revenue Account)	1,49,08.30	9,38,89.57	10,87,97.87	1,28,07.52	8,42,75.56	9,70,83.08
Expenditure Heads (Capital Account)	15.46	1,68,43.35	1,68,58.81	92.79	2,25,47.74	2,26,40.53
Disbursement under Public Debt, Loans & Advances, Inter-State Settlement and Transfer to Contingency Fund ^(a)	4,57,40.03	87,07.69	5,44,47.72	2,87,15.64	87,11.55	3,74,27.19
TOTAL	6,06,63.79	11,94,40.61	18,01,04.40	4,16,15.95	11,55,34.85	15,71,50.80
(a) The figures have been arrived as follows:-						
E. Public Debt						
Internal Debt of the State Government	4,53,00.64	...	4,53,00.64	2,78,81.96	...	2,78,81.96
Loans & Advances from the Central Govt.	4,39.39	...	4,39.39	8,33.68	...	8,33.68
F. Loans and Advances ⁽¹⁾						
Loans for General Services	...	93.09	93.09	...	39.82	39.82
Loans for Social Services	...	54,43.34	54,43.34	...	66,17.91	66,17.91
Loans for Economic Services	...	30,89.59	30,89.60	...	19,91.71	19,91.71
Loans to Government Servants, etc.	...	73.76	73.76	...	56.80	56.80
Loans for Miscellaneous Purposes	...	...	...	...	...	...
G. Inter-State Settlement						
Inter-State Settlement	...	7.91	7.91	...	5.31	5.31
H. Transfer to Contingency Fund						
Transfer to Contingency Fund	...	...	...	...	...	...

The percentage of charged expenditure and voted expenditure to total expenditure during 2019-20 is as under:-

Year	Percentage of Total Expenditure	
	<i>Charged</i>	Voted
2018-19	26.48	73.52
2019-20	33.68	66.32

⁽¹⁾ A more detailed account is given in Statement No.18 at page 398 to 467 .

**12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR
EXPENDITURE OTHER THAN ON REVENUE ACCOUNT**

(Figures in **bold** represent un-apportioned amount)

Heads	On 31 March 2019	Amount allocated to Telangana during the year	During the year 2019-20	On 31 March 2020
				<i>(₹ in Crore)</i>
Public Works	5,12.87	...	2,17.47	7,30.34
	10,21.67			10,21.67
Other General Services	20,03.34	...	4,27.92 ⁽¹⁾	24,31.26
	18,51.34			18,51.34
Education, Sports, Art & Culture	10,95.79	...	2,82.22	13,78.01
	13,11.07			13,11.07
Health and Family Welfare	12,59.67	...	2,31.88	14,91.55
	12,78.54			12,78.54
Water Supply, Sanitation, Housing and Urban Development	1,00,50.39	...	7,56.15	1,08,06.54
	34,90.39			34,90.39
Information and Broadcasting	13.78	...		13.78
	6.50			6.50
Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	21,07.80	...	4,80.59	25,88.39
	35,55.63			35,55.63
Social Welfare and Nutrition	1,40.40	...	4.54	1,44.94
	3,11.85			3,11.85
Other Social Services	21.25	...	9.28	30.53
	4,83.22			4,83.22
Agriculture and Allied Activities	23,91.74	...	1,36.20	25,27.94
	7,73.00			7,73.00
Rural Development	33,58.49	...	10,08.05	43,66.54
	18,52.76			18,52.76
Irrigation and Flood Control	4,83,48.50	...	94,87.68	5,78,36.18
	10,50,03.19			10,50,03.19
Energy	1,64,90.39	...	20,00.00	1,84,90.39
	53,28.53			53,28.53
Industry and Minerals	2,39.98	...	64.93	3,04.91
	20,71.12			20,71.12
Transport	92,57.95	...	9,55.77 ⁽²⁾	1,02,13.72
	1,83,11.70			1,83,11.70
General Economic Services	45,86.21	...	7,94.03	53,80.24
	46,99.16			46,99.16
Total- Capital Expenditure	10,18,78.55	...	1,68,56.71	11,87,35.26
	15,13,49.67		0.00	15,13,49.67

⁽¹⁾ Excludes ₹0.15 crore being the advance met out of Contingency Fund during the year 2018-19 and recouped to the fund during the year 2019-20.

⁽²⁾ Excludes ₹1.95 crore being the advance met out of Contingency Fund during the year 2018-19 and recouped to the fund during the year 2019-20.

**12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR
EXPENDITURE OTHER THAN ON REVENUE ACCOUNT**

(Figures in **bold** represent un-apportioned amount)

Heads	On 31 March 2019	Amount allocated to Telangana during the year	During the year 2019-20	On 31 March 2020
<i>(₹ in Crore)</i>				
Loans and Advances-				
Miscellaneous General Services	39.82	...	93.09	1,32.91
	0.65	...		0.65
Education, Sports, Art & Culture	6.58	...		6.58
	2,28.51	...		2,28.51
Health and Family Welfare	14,39.89	...	7,20.12	21,60.01
	5,62.15	...		5,62.15
Water Supply, Sanitation, Housing and Urban Development	1,46,39.25	...	47,23.22	1,93,62.47
	2,03,72.50	...		2,03,72.50
Information and Broadcasting	...	...		...
	44.36	...		44.36
Social Welfare and Nutrition	47,00.00	...		47,00.00
	10,56.90	...		10,56.90
Others	...	...		...
	70.47	...		70.47
Agriculture and Allied Activities	7,35.18	...	12,62.34	19,97.52
	8,20.99	...		8,20.99
Irrigation and Flood Control	...	...	6,88.18	6,88.18
	1,63.35	...		1,63.35
Energy	7,88.20	...	3,44.83	11,33.03
	20,30.35	...		20,30.35
Industry and Minerals	54.20	...	2,22.72	2,76.92
	8,62.53	...		8,62.53
Transport	16,23.84	...	5,71.20	21,95.04
	14,54.92	...		14,54.92
General Economic Services	3,93.78	...		3,93.78
	22.44	...		22.44
Loans to Government Servants etc.	88.44	...	12.13	1,00.57
	4,00.07	...		4,00.07
Miscellaneous Loans	...	...		0.00
	9.49	...		9.49
Total- Loans and Advances	2,45,09.18	...	86,37.83	3,31,47.01
	2,80,99.68	...	...	2,80,99.68
Transfer to Contingency Fund	... ⁽¹⁾
Total- Capital and Other Expenditure	12,63,87.73	...	2,54,94.54	15,18,82.27
	17,94,49.35	...		17,94,49.35

⁽¹⁾ The amount deleted as the transfer to Contingency Fund Closed to Government Account and shown under reconciliation

**12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR
EXPENDITURE OTHER THAN ON REVENUE ACCOUNT**

(Figures in **bold** represent un-apportioned amount)

Heads	On 31 March 2019	Amount allocated to Telangana during the year	During the year 2019-20	On 31 March 2020
<i>(₹ in Crore)</i>				
Deduct-				
i) Contribution from Contingency Fund	2.10	...	(-)2.10	...
ii) Contribution from Miscellaneous Capital Receipts	84,55.98	...	...	84,55.98
iii) Contribution from Development Funds, Reserve Funds etc.	...	...	...	...
Net-Capital and Other Expenditure	12,63,85.63 17,09,93.37	...	2,54,96.64	15,18,82.27 17,09,93.37
PRINCIPAL SOURCES OF FUNDS-				
Debt-				
Internal Debt of the State Government	15,69,33.55	...	3,00,25.27	18,69,58.82
	(-)95.17	...	...	(-)95.17
Loans and Advances from the Central Government	8,230.85	...	(-)2,31.93	79,98.92
	14.08	...	...	14.08
Small Savings, Provident Funds, etc.	1,01,16.67	...	7,83.92	1,09,00.59
	...	...	...	0.00
Total- Debt	17,52,81.07 (-)81.09	...	3,05,77.26 ...	20,58,58.33 (-)81.09
Other Receipts-				
Contingency Fund	47.90	...	(-)2.11	45.79
Reserve Funds	76,87.68	...	43,53.25	1,20,40.93
Net Balances under Deposits	1,97,14.30	...	14,06.61	2,11,20.91
	45,03.68	...	...	45,03.68
Civil Advances	23.37	...	0.01	23.38
	-29.63	...	...	(-)29.63
Suspense less Cash Balance Investment Account	2,00.74	...	2,96.76	4,97.50
	(-)2,38.00	...	...	(-)2,38.00
Remittances	1,31.08	...	6.99	1,38.07
	(-)3,10.23	...	...	(-)3,10.23
Total- Other Receipts	2,78,05.07 39,25.82	...	60,61.51 ...	3,38,66.58 39,25.82

12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN ON REVENUE ACCOUNT

(Figures in **bold** represent un-apportioned amount)

Heads	On 31 March 2019	Amount allocated to Telangana during the year	During the year 2019-20	On 31 March 2020
<i>(₹ in Crore)</i>				
Total- Debt and Other Receipts	20,30,86.14	...	3,66,38.77	23,97,24.91
	38,44.73	...	...	38,44.73
Deduct-				
i) Cash Balance	(-)93.29 ⁽¹⁾	...	(-)15,95.86	(-)16,89.15
ii) Investments	73,08.64	...	64,76.02	1,37,84.66
Total	19,58,70.79	...	3,17,58.61	22,76,29.40
	38,44.73	...	...	38,44.73
Deduct: Revenue Deficit(-)/Add: Revenue Surplus(+)			(-)62,54.06	
Add: Amount closed to Government Account				
Deduct: Inter State Settlement 2019-20			7.91	
Net Provision of Funds			2,54,96.64	

The difference between the net capital and other expenditure and the total of the principal sources of funds to end of 31 March 2020 is explained below:

Progressive Net Capital and Other Expenditure	15,18,82.27
Progressive Principal Sources of funds	(-)22,76,29.40
Difference	(-)7,57,47.13

The difference of ₹(-)7,57,47.12 crore is explained below:

Net Revenue Surplus/deficit from 2014-15 to 2019-20	35,34.91
Opening Balances apportioned to Telangana to end of 31 March 2020	(-)7,86,22.05
Inter State Settlement to end of 2019-20	(-)6,07.92
Amount closed to Government Account	(-)50.00
Proforma Correction to Closing Cash Balance	(-)2.07
Total	(-)7,57,47.13

⁽¹⁾ OB differs from the previous year by an amount of ₹2.07 Crore due to Proforma Correction.

13. SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT

A. The following is a summary of the balances as on 31 March 2020
(Figures in **bold** represent balances unapportioned and retained in Andhra Pradesh)

<i>(₹ in Crore)</i>			
Debit Balance	Sector of the General Account	Name of Account	Credit Balance
		Consolidated Fund	
19,44,82.39(*)	A to D and Part of L (MH 8680 only)	Government Account	...
...	E	Public Debt	19,49,57.74
			(-)81.09
3,31,47.01	F	Loans and Advances	...
2,80,99.68			
		Contingency Fund	
...	H	Contingency Fund	45.79
		Public Account	
...	I	Small Savings Provident Funds etc	1,09,00.59
	J	Reserve Funds	
...		(i) Reserve Funds Bearing Interest	36,03.70
...		(ii) Reserve Funds not Bearing Interest	
...		Gross Balance	84,37.23
68,39.27		Investments	...

(*) OB differs from the previous year by an amount of ₹2.07 crore due to proforma correction to “Cash in transit and Local Remittances”

13. SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT

The following is a summary of the balances as on 31 March 2020
(Figures in **bold** represent balances unapportioned and retained in Andhra Pradesh)

<i>(₹ in Crore)</i>			
Debit balance	Sector of the General Account	Name of Account	Credit balance
	K	Deposits and Advances	
...		(i) Deposits Bearing Interest	25,80.64
			2,01.93
...		(ii) Deposits not Bearing Interest	1,85,40.27
			43,01.75
(-)23.38		(iii) Advances	...
29.63			
	L	Suspense and Miscellaneous	
69,45.39		Investments	...
...		Other Items (Net)	4,97.50
2,38.00			
...	M	Remittances	1,38.07
3,10.23			
(-)16,89.15	N	Cash Balance	...
23,97,01.53 ⁽¹⁾		TOTAL	23,97,01.53 ⁽¹⁾

(1) Figure excludes unapportioned balances which are shown in **bold**.

13. SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT

B. Government Account: Under the system of book-keeping followed in Government accounts the amount booked under Revenue, Capital and other transactions of Government the balances of which are not carried forward from year to year in the accounts are closed to a single head called "Government Account". The balance under this head represents the cumulative result of all such transactions.

To this the balances under Public Debt, Loans and Advances, Small Savings Provident Funds, Reserve Funds, Deposits and Advances Suspense and Miscellaneous (Other than Miscellaneous Government Account) Remittances and Contingency Fund etc. are added and the closing cash balance at the end of the year is to be worked out and proved.

The other headings in the summary take into account the balances under all accounts heads in Government books in regard to which Government has a liability to repay the money received or has a claim to recover the amounts paid and also heads of account opened in the books for adjustment of remittance transactions.

It must be understood that these balances cannot be regarded as a complete record of the financial position of the Government as it does not take into account all the physical assets of the State such as lands, buildings, communication, etc. nor any accrued dues or outstanding liabilities which are not brought to account under the cash basis of accounting followed by Government.

The net amount at the debit of Government Account at the end of 31 March 2020 has been arrived at as under:-

<i>(₹ in Crore)</i>		
Dr.	Details	Cr.
17,13,61.61 ⁽¹⁾	A. Amount at the Debit of Government Account on 01 April 2019	...
...	B. Receipt Heads (Revenue Account)	10,25,43.81
...	C. Receipt Heads (Capital Account)	...
10,87,97.87	D. Expenditure Heads (Revenue Account)	...
1,68,58.81	E. Expenditure Heads (Capital Account)	...
...	F. Suspense and Miscellaneous (Miscellaneous Government Accounts)	...
7.91	G. Inter State Settlement	...
	H. Amount at the debit of Government Account on 31 March 2020	19,44,82.39
29,70,26.20	TOTAL	29,70,26.20

⁽¹⁾ Opening Balance increased by ₹2.07 Crore due to proforma correction to "Cash in Transit and Local Remittances"

NOTES TO ACCOUNTS

1. Summary of Significant Accounting Policies:

(i) Entity and Accounting Period:

The Finance Accounts 2019-20 present the transactions of the Government of Telangana for the period 01 April 2019 to 31 March 2020. These accounts have been compiled based on the initial accounts rendered by 33 District Treasuries, 31 Public Works & Forest Pay and Accounts Offices (PAO), PAO-Telangana Legislature, Pension Payment Office-Hyderabad, PAO-Telangana Bhavan, New Delhi, PAO-Hyderabad and Advices of the Reserve Bank of India. In Telangana, treasuries compile the accounts from the vouchers (primary compilation) which, along with the vouchers/sub-vouchers, are then rendered to the Accountant General [AG (A&E)] for secondary compilation. No accounts have been excluded at the end of the year.

(ii) Basis of Accounting:

With the exception of some periodical adjustments and book adjustments (**Annexure-A**), the accounts represent the actual cash receipts and disbursements during the account period. Assets, government investments, etc., are shown at historical cost. Physical assets are not depreciated or amortized.

Retirement benefits disbursed during the account period have been reflected in the accounts. Actuarial assessment of the liabilities towards future payments of retirement benefits has not been carried out by the State Government.

(iii) Currency in which Accounts are kept:

The accounts of Government of Telangana are maintained in Indian Rupees (₹).

(iv) Form of Accounts:

Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as the President may, on the advice of the Comptroller and Auditor General, prescribe. The word “form” used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads of accounts under which the transactions are to be classified.

2. Quality of Accounts:

(i) Operation of omnibus Minor Head 800:

The Minor Heads 800 - Other Expenditure/Other Receipts are to be operated only when the appropriate Minor Head has not been provided in the List of Major & Minor Heads. The routine operation of Minor Head 800 is to be discouraged as it renders the accounts opaque.

During the year 2019-20, the State Government classified ₹8,090.44 crore, constituting around 7.89 per cent of total Revenue Receipts (₹1,02,543.81 crore) under the omnibus

Minor Head 800 - 'Other Receipts' in 46 Major Heads. Similarly, ₹22,045.34 crore, constituting around 17.54 *per cent* of total revenue and capital expenditure (₹1,25,656.68 crore) was classified under Minor Head 800 - Other Expenditure in 39 Major Heads.

It is observed that there was substantial increase in such booking in 2019-20 under Receipts as compared to 3.97 *per cent* in 2016-17, 4.00 *per cent* during 2017-18 and 5.87 *per cent* in 2018-19. Similarly, under expenditure the percentage continued to be maintained at 17.54 *per cent* in comparison to 12.33 *per cent* in 2016-17, 12.09 *per cent* in 2017-18 and 17.55 *per cent* in 2018-19. The matter was brought to notice of the State Government in February 2020 and action is yet to be initiated in this regard.

Instances where 10 *per cent* or more of total receipts and expenditure were classified under Minor Head 800-Other Receipts and Other Expenditure are listed in **Annexure B and C** respectively.

(ii) Classification under Revenue and Capital:

In Consolidated Fund there are two main divisions, namely: — (i) Revenue Consisting of sections for 'Receipt heads (Revenue Account)' and 'Expenditure heads (Revenue Account)'. (ii) Capital (including loans) consisting of sections for 'Receipt heads (Capital Account)', 'Expenditure heads (Capital Account)'. The first division shall comprise the section Receipt heads (Revenue Account) dealing with the proceeds of Part I Consolidated Fund of India and the State taxation and other receipt classed as revenue, and the Section 'Expenditure heads (Revenue Account)' dealing with expenditure met therefrom. The second division comprises of the Section 'Receipt heads (Capital Account)' which deals with receipts of a Capital nature which cannot be applied as a set off to Capital Expenditure. (b) The Section 'Expenditure heads (Capital Account)' which deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a Capital nature intended to be applied as set off to Capital expenditure”.

Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Also, as per the Indian Government Accounting Standard (IGAS) 2, expenditure on Grants-in-Aid is to be classified as revenue expenditure regardless of end utilisation.

Capital expenditure is defined as expenditure incurred to create assets of a material and permanent character, or to reduce permanent liabilities. Consequently, expenditure on 'Major Works' is required to be booked as capital expenditure and expenditure on 'Minor Works and Grants-in-aid as revenue expenditure.

The State Government, however, budgeted and spent ₹1,733.34 crore on 'Minor Works' and ₹5.86 crore on Grants-in-Aid under Capital Section.

As The State Government had incurred an expenditure of ₹663.73 crore on schemes like Mahatma Gandhi National Rural Employment Guarantee Scheme – MGNREGS (₹577.11 crore) and Constituency Development Programme (₹69.55 crore) and for purchase of surgical consumables (₹17.07 crore) which were also classified under Capital Section. This has consequently resulted in an understatement of revenue deficit during the year.

(iii) Compliance with Indian Government Accounting Standards (IGAS) formulated by

GASAB: With a view to improving standards of Government accounting and financial reporting which will enhance the quality of decision making and public accountability, the Government Accounting Standards Advisory Board (GASAB) has formulated Indian Government Accounting Standards (IGASs) for cash system of accounting. The IGASs specifies the disclosure requirements in financial statements of the Union and State Governments. The IGASs standards have been notified under three segments (IGAS 1- Guarantees given by the Governments, IGAS 2- Accounting and classification of Grants-in-aid, IGAS 3- Loans and Advances made by the Governments) by the Government of India. The status of compliance in respect of these IGASs is as follows:

IGAS 1- Guarantees given by the Governments: The Statements 9 and 20 for Finance Accounts has been prepared from the information provided by the State Government in the Budget document. However, the detailed information with regard to Guarantee Commission was not furnished by the State Government. The disclosure in this regard is incomplete to that extent.

IGAS 2- Accounting and classification of Grants-in-aid: The requirements with regarding accounting and classification of Grants-in-Aid given by the State Government have been met with the exception of the transactions mentioned in Para 2(ii) above which is 0.013 *per cent* of the total GIA in 2019-20. The Statement 10 and Appendix III were however prepared with reference to the disclosures provided in accordance with the requirements under IGAS 2. Further, the detailed information in regards to Grants-in-Aid provided, if any, in kind was not furnished by the State Government.

IGAS 3- Loans and Advances made by the Governments: The State Government has not confirmed the figures provided in Statement 18 of the Finance Accounts as required under the Indian Government Accounting Standards IGAS 3. Further, the State Government has also not furnished the figures in respect of certain loans and advances for which they maintain detailed accounts. The government has also not given confirmation of balances along with the list of individual loanees, in respect of loans for which Accountant General maintains detailed accounts.

(iv) Abstract Contingent (AC) bills:

In terms of the provisions of the Telangana Financial Code (TFC), Drawing and Disbursing Officers are authorized to draw sums of money by presenting Abstract Contingent (AC) bills by debiting service heads. As per Government orders, Detailed Contingent (DC) bills are required to be presented subsequently along with supporting documents within a period of three months. Delayed submission or prolonged submission of supporting of DC bills, renders the expenditure under AC bills opaque. Details of unadjusted AC bills as on 31 March 2020 pending submission of DC bills are given below:

(₹in Crore)

Year	AC Bills drawn		DC bills submitted		Unadjusted AC bills	
	No. of bills	Amount	No. of bills	Amount	No. of bills	Amount
Up to 2017-18	15176	1207.52*	13498	1020.58	1678	186.94
2018- 19	6102	607.11	5438	474.93	664	132.18
2019-20 (up to 31 December 2019)	4279	463.55	2666	172.80	1613	290.75
Total	25557	2278.18	21602	1668.31	3955	609.87

(*An amount of ₹11,50,000/- pertaining to AP (PAO Hyd) was transferred to AP. Hence, the difference in amount for the year 2016-17)

Out of ₹565.94 crore drawn against AC bills in 2019-20, AC bills amounting to ₹78.31 crore (13.84 *per cent* of the total amount drawn during 2019-20) were drawn in March 2020 alone and of this, ₹74.61 crore (13.18 *per cent* of the total amount drawn during the year) were drawn on the last day of the financial year. Significant expenditure on AC Bills in March indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control. A list of major defaulting departments is given below:

List of Defaulting Departments against whom substantial amounts of AC Bills are lying unadjusted.

(₹in Crore)

SL NO	NAME OF THE DEPARTMENT	NUMBER OF ITEMS	AMOUNT
1	Revenue Department	1333	120.50
2	Panchayat Raj & Rural Development	762	88.01
3	Home	436	44.44

(v) Personal Deposit (PD) Accounts:

Article 271 of the Telangana Financial Code (TFC) lays down that the purpose of a PD account is to enable the Drawing Officer to incur expenditure pertaining to a scheme for which the funds are transferred from the Consolidated Fund of the State.

As per the orders of Government vide G.O Ms A No.43 dated 22.04.2000, funds released during a particular financial year shall lapse by 31 March of the following year (lapsable deposits under category 'C'). The administrators of PD accounts are therefore, required to

close such accounts and revert the unspent balances to the Government account.

The status of PD accounts during the year 2019-20 as intimated by the Director of Treasuries and Accounts (DTA) is given below:

(₹in Crore)

Opening Balance as on 01 April 2019		Additions during the year 2019-20		Withdrawals during the year 2019-20		Closing Balance as on 31st March 2020	
No. of PD A/cs	Amount	No. of PD A/cs opened	Deposits made in PD A/cs including new accounts	No. of A/ cs closed	Withdrawals made from PD A/cs including lapsed amounts	No.of PD A/cs	Amount
(*)237	81.44	Nil	692.96		731.81	237	42.59

(*Note: The OB for 2019 – 20 (237) differs from the CB for 2018 -19 (182) owing to detection of additional PD Accounts by the DTA on account of migration of data from the IMPACT software to the IFMIS package, which is under development.)

These figures differ from the figures appearing in Statement 21 of the Finance Accounts as the figures in the Statement are the ledger figures as maintained by the Accountant General. The detailed administrator-wise accounts are not maintained by the Accountant General. These have not been reconciled by the DTA who maintains the administrator-wise detailed accounts with the accounts maintained by the Accountant General.

An amount of ₹3.66 crore pertains to 105 in-operative PD accounts identified by the Finance Department, that were to lapse on 31.3.2020 and have not been closed yet.

(vi) Cash Balance:

(in Rupees)

Balance as per:	Amount
AG Books	1689,15,22,254.30 Cr.
RBI Figure	24,54,51,097.06 Dr.
Net difference to the end of March 2020	1664,60,71,157.24 Cr.
Net difference upto July 2020	88,00,16,763.76 Dr.

Penal interest of ₹1.67 crore was not credited during the year to the State's Account by the RBI/ link banks concerned.

The differential figure/amount prior to 2014-15 is NIL. (As the State of Telangana was formed during 2014-15)

The difference of Cash Balance as on date is ₹88,00,16,763.76 (Dr). Necessary efforts are being made to clear the differences. The Year-Wise analysis of the cash balance difference as on 31 March, 2020 is as follows:

(in Rupees)

Year	No of items	Debit	No of items	Credit	Net amount
2014-15	02	4,81,877.00	02	6,74,352.00	1,92,475.00 Cr.
2015-16	00	0	02	6,120.00	6,120.00 Cr.
2016-17	11	1,50,34,293.00	05	1,19,91,904.00	30,42,389.00 Dr.
2017-18	25	112,13,48,618.40	38	3,93,16,991.92	1,08,20,31,626.48 Dr.
2018-19	11	9,86,85,087.00	63	30,29,93,628.44	20,43,08,541.44 Cr.
2019-20	07	4,91,965.00	13	10,42,080.28	5,50,115.28 Cr.
TOTAL	56	123,60,41,840.40	123	35,60,25,076.64	88,00,16,763.76 Dr.

(vii) Reconciliation of Expenditure and Receipts between CCOs and Accountant General (A &E):

AG (A&E) receives compiled accounts from the Treasuries and Pay and Accounts Officers (PAOs) every month. Funds are placed at the disposal of Chief Controlling Officers (CCOs) for incurring expenditure. Accuracy of the accounts maintained by the CCOs is an important requirement for effective budgetary control. The Financial Rules stipulate that CCOs should reconcile the receipts and expenditure recorded in their books every month with that recorded by the AG (A&E). During the year 2019-20, out of a total 196 CCOs, 63 CCOs have reconciled fully and 94 CCOs have partially reconciled, an amount of ₹93,628.14 crore, which works out to 74.51 *per cent* of the total Expenditure (Revenue and Capital) of ₹1,25,656.68 crore. On the receipts side, out of the 38 CCOs, 9 CCOs had fully reconciled and 23 CCOs have partially reconciled an amount of ₹69,766.18 crore, which works out to 68.03 *per cent* of the total receipt of ₹1,02,543.81 crore. The assurance about the completeness and correctness of the receipts and expenditure figures depicted in the Finance Accounts is incomplete to the extent of non-reconciliation.

(viii) Outstanding Utilisation Certificates:

As per the Telangana Financial Code, wherever grants are sanctioned for specific purposes, the Departmental Officers concerned should obtain Utilisation certificates (UCs) from the grantees, which, after verification, should be forwarded to AG not later than 15 months from the date of sanction of grants. As on 31 March 2020, 20 UCs pertaining to grants for ₹1,066.27 Cr released are awaited from Departmental officers. The details are as follows:

Year	Number of Utilisation Certificates awaited	Amount
2017-18	8	428.26
2018-19	12	638.01
Total	20	1066.27

All the outstanding UCs pertain to the Municipal Administration & Urban Development (MA&UD) department.

3. Other items:

(i) Liabilities towards Pensionary Benefits:

During the period 01 April 2019 to 31 March 2020, the State Government incurred ₹11,247.43 crore (10.97 *per cent* of the total Revenue Expenditure) on “Pension and Other Retirement Benefits” to State Government employees recruited before 01 September 2004.

(ii) National Pension System (NPS):

State Government employees recruited on or after 01 September 2004 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her monthly salary and dearness allowances, which is matched by the State Government and the entire amount is transferred to the designated Fund Manager through the National Securities Depository Limited (NSDL)/Trustee Bank. The actual amount payable by the employees and the matching Government contribution has not been estimated.

The AG (A&E) does not maintain the NPS accounts of individual employees. The Government accounts the salaries of all its employees including those recruited on or after 01 September 2004 (NPS subscribers) under the same Detailed Head of Account. Consequently, the liability of the employees and the Government under the Scheme is not ascertainable.

The opening balance as on 01 April 2019 under 8342-117 – (Defined Contribution Pension Scheme for Government Employees) was ₹273.57 crore. The total receipts towards NPS include - Contribution from Employees (₹593.80 crore), Contribution from State Government (₹586.32 crore), Contribution from Foreign Employer towards Employees under Foreign Service (₹2.51 crore) and ₹1.68 crore paid by the State Government towards interest for the legacy period (contributions received during the period from 1 September 2004 to 31 March 2011). There was short contribution of ₹4.97 crore (₹593.80- (₹586.32+₹2.51) by the Government which has an impact on fiscal parameters. The State Government transferred an amount of ₹1,189.35 crore to NSDL/Trustee Bank during the year 2019-20 leaving a balance of ₹269.86 crore as on 31 March 2020. Though the State Government is mandated to pay interest on the balance amount retained, no payment towards the same was made during 2019-20. Further, an amount of ₹365.43 crore remained un-apportioned between the States of Andhra Pradesh and Telangana as of 31 March 2020. Uncollected, unmatched and un-transferred amounts, with accrued interest, which represent outstanding liabilities under the Scheme, have not been estimated.

(iii) Allocation of balances as a result of Re-Organisation of States:

(a) Apportionment of balances:

The Andhra Pradesh Re-Organisation Act, 2014 (RA) provides the manner in which balances are to be apportioned between the successor States of Andhra Pradesh and Telangana with effect from 02 June 2014.

(b) Apportionment of balances under Public Debt, Small Savings, Provident Funds, etc., Reserve Funds, Deposits and Advances, Suspense and Miscellaneous and Remittances:

(₹ in crore)

Sector	Total Un-apportioned amount as on 02 June 2014	Amount apportioned	Year of apportionment	Andhra Pradesh	Telangana	Balance Un-apportioned as on 31 March 2020
E-Public Debt	1,66,522.32	1,66,603.41	2014-15	97,123.93	69,479.48	(-) 81.09
I-Small Savings, Provident Fund, etc.	14,077.84	9,994.32	2016-17	5,598.79	4,395.53	Nil
		4,083.52	2017-18	2,381.51	1,702.01	
J- Reserve Funds	2,459.06	90.70	2014-15	52.90	37.80	Nil
		2,368.36	2017-18	1,397.36	971.00	
K- Deposits & Advances	17,082.78	12,608.73	2018-19	8,129.84	4,478.89	4,474.05
L-Suspense & Miscellaneous	6,234.24(DR)	6,093.30(DR)	2014-15	3,553.62(DR)	2,539.68(DR)	238.00(DR)
		117.60(CR)	2017-18	63.77(CR)	53.83(CR)	
		20.55(DR)	2018-19		20.55(DR)	
M-Remittances	339.47(DR)	29.24(DR)	2017-18	26.92(DR)	2.32(DR)	310.23(DR)

Details of un-apportioned items are given in **Appendix-XIII** of Volume II of the Finance Accounts for the year 2019-20.

(iv) Guarantees:

Guarantees are contingent liabilities on the Consolidated Fund of the State which may be invoked by the borrower in case of default. The status of guarantees as reported in Statement Nos 9 and 20 is prepared based on information received from the State Government and Annexure to Budget document as per the IGAS I notified by the GOI. The total net guarantees given during the year was ₹12,285.93 crore. The State Government extended Guarantee to the Bonds amounting to ₹398.00 crore issued by the State Finance Corporation (SFC) prior to 2014-15. Though these Bonds were included in the 2018-19 Budget document, they were however excluded from the 2019-20 document. This has resulted in a variation between the Opening Balance of the current year and Closing Balance of the previous year. The details of Guarantees mentioned in the Budget document for the year 2019-20 does not

include Guarantees worth ₹20,000 crore extended to Telangana State Civil Supplies Corporation (TSCSC) as a stop gap arrangement towards working capital requirements and payment of pending subsidies.

The State Government has not furnished information regarding Guarantee commission for the year 2019-20.

(v) Goods and Service Tax (GST):

Advance Apportionment and Devolution of un-apportioned Integrated Goods and Service Tax (IGST):

The total receipts under GST were ₹28,053.44 crore for the year 2019-20. The State's GST (SGST) collection was ₹23,516.70 crore as compared to ₹23,840.18 crore in 2018-19, registering a decrease of ₹323.48 crore (1.36 *per cent*) and also included Advance Apportionment of IGST amounting to (-) ₹112.95 crore. Telangana received ₹4,536.74 crore as its share of net proceeds assigned to the state under Central Goods and Services Tax (CGST) as per the recommendations of the Fourteenth Finance Commission.

Besides, the State also received compensation of ₹2,263.16 crore on account of loss of revenue arising out of implementation of GST during 2019-20.

(vi) Collection and Accounting of Major Cess:

Cess is an additional tax levied by the State Government to raise funds for a specific purpose and the amount so collected is to be transferred to a designated Fund. In Telangana, Labour Cess forms a significant collection and is collected on all building and other construction works both in public and private sector.

As per the provisions of the "Building and Other Construction Workers' Welfare Cess Act, 1996", cess at the rate of one *per cent* of the cost of work is to be collected and transferred to the Building and Other Construction Workers' Welfare Board (B&OCWWB).

In Government sector, the Labour Cess is collected on works executed by the Irrigation, Public Works and other Departments. The amount collected by the Director of Works Accounts (DWA) is accounted under MH 8443-Civil Deposits 800-Other Deposits (03) Miscellaneous Deposits and is thereafter transferred to the B&OCWWB.

During 2019-20, the Telangana B&OCWWB, Hyderabad received an amount of ₹563.55 crore as Labour Cess. The above receipts also include ₹75.37 crore remitted by the DWA, Telangana during 2019-20. However, an amount of ₹2.49 crore remitted into the Treasuries during 2019-20 is yet to be transferred to the Board.

The B&OCWWB has utilised an amount of ₹150.21 crore of the above amount collected during the year 2019-20. As the Board is an Autonomous Body, the total Cess amount collected/utilised does not form part of Government Accounts and hence, further details of the amount utilised are not available.

(vii) Reserve Funds and Deposits:

Reserve Funds are created for specific purposes out of contribution from the Consolidated Fund. Information on Reserve Funds (both “Interest Bearing” and “Not Interest Bearing”) and the investment from the earmarked fund is available in Statements 21 and 22, respectively.

Of the gross accumulated balance of ₹12,040.93 crore that were lying under these funds to the end of 31 March, 2020, the State Government had invested ₹6,839.27 crore (56.80 per cent) in GoI securities.

Reserve Funds bearing Interest:

(a) State Disaster Response Fund (SDRF): The State Disaster Response Fund (SDRF) was set up in the former state of Andhra Pradesh in 2010-11 to replace the erstwhile Calamity Relief Fund. The guidelines of the Fund have been adapted by the State of Telangana post bifurcation of the Fund in 2014. In terms of the guidelines of the Fund, the Central and State Governments are required to contribute to the Fund in the proportion of 75:25 respectively.

Following are the transactions in the Fund during the year:

(₹ in crore)						
Opening balance (01 April 2019)	Contribution by Centre	State Share	Total receipts during the year	Amount set off (MH 2245-05)	Balance in the fund as on 31 March 2020	Amount invested by RBI during the year
353.48	487.50	162.50	650.00	25.81	977.67	Nil

Expenditure of ₹25.81 crore incurred towards natural calamities during the period was set off (MH 2245-05) against Fund balance of ₹1,003.48 crore (including Opening Balance of ₹353.48 crore), thus leaving a closing balance of ₹977.67 crore as on 31 March 2020.

As per the guidelines of State Disaster Response Fund (SDRF) and National Disaster Response Fund (NDRF) issued in September 2010, on receipt of the amounts of contributions from the Government of India and/or the State Government, the State Government shall take action for investing the funds in Central Government dated Securities/ Auctioned Treasury Bills etc. However, the balance available in the fund to the

end of 31 March 2020 has not been invested by the Government.

(b) Non-discharge of interest obligations:

The State Government is required to pay interest on un-invested balances lying under Reserve Funds and Deposits Bearing Interest under Sectors J (Reserve Funds) and K (Deposits and Advances) of Public Account respectively.

As per proviso to Section 54 (2) of the Re- Organisation Act, till such time as individual items of liabilities are allocated, the liabilities of the existing state of Andhra Pradesh shall continue to be the liabilities of the successor state of Andhra Pradesh. As the Public Account liabilities have been partially apportioned, the remaining balances of the Public Account liabilities have been retained in the accounts of Andhra Pradesh. While the interest liability in respect of the un-apportioned balances has not been worked out in respect of Telangana, the State Government is required to discharge the liability in respect of the balances in the accounts of Government of Telangana.

However, interest liability towards SDRF has not been discharged by the State Government during the year 2019-20.

(₹ in crore)				
Sector	Sub-sector	Minimum rate of interest estimated	Balance at the beginning of 2019	Interest Due
J- Reserve Funds	(b) Reserve Funds bearing interest (MH – 8121-122 - SDRF)	7.9 per cent (General Provident Fund interest rate)	353.48	27.92

(c) State Compensatory Afforestation Fund:

The Compensatory Afforestation Fund Act, 2016 and Compensatory Afforestation Fund Rules, 2018 provides for the establishment of a State level authority called "State Compensatory Afforestation Fund Management and Planning Authority" under the Public Account of each state. The Authority will administer the amount received and utilise the monies for undertaking compensatory afforestation activities.

Accounting Arrangements:

The monies received from the user agencies towards compensatory afforestation activities shall be credited in "State Compensatory Afforestation Deposits" under interest bearing section in Public Account at Minor head level 103 below Major Head 8336-Civil Deposits. 90 per cent of the monies collected shall be transferred to the "State Compensatory Afforestation Fund (SCAF)" under Major Head 8121-129 and the balance 10 per cent shall

be credited into the National Fund i.e. National Compensatory Afforestation Deposits under MH 8336-102. The applicable rate of interest on balances available under 'State Compensatory Afforestation Deposits' and 'State Compensatory Afforestation Fund' will be as per the rate declared by the Central Government on a year to year basis. The expenditure on various activities as envisaged in the Act shall be met from Major Head 2406.

Status of the State Compensatory Afforestation Fund:

During the year 2019-20, an amount of ₹3,110.38 crore was transferred to the State of Telangana from the National Compensatory Afforestation Deposits MH 8336-102 retaining 10 per cent with National Authority for the funds collected upto 2018-19. The amount received was credited to the State Compensatory Afforestation Fund under MH 8121-129. The expenditure incurred out of the fund during the year was ₹501.26 crore under MH 2406-04-103. The total balance in the State Compensatory Afforestation Fund as on 31st March 2020 was ₹2,609.12 crore. An amount of ₹102.98 crore collected by the user agencies during 2019-20 was remitted to the National Fund maintained by the Government of India (GoI) as the payment gateway at State level was under establishment. The GoI shall remit the amount due to the Government of Telangana.

Reserve Funds not bearing interest:

(d) Consolidated Sinking Fund (CSF): On the recommendations of the Twelfth Finance Commission, the erstwhile State Government of the composite State of Andhra Pradesh revised the guidelines pertaining to the existing Sinking Fund (created in 1999-2000 for the amortization of open market loans) with effect from January 2010. The guidelines have been adapted by the State of Telangana. Under these revised guidelines, the State Government of Telangana is required to make annual contributions to the Fund at a minimum of 0.5 per cent of the outstanding liabilities to the end of the previous financial year. As per the guidelines laid down by RBI, which is the administrator for the Fund, all the outstanding liabilities shall be defined as Internal Debt and Public Account liabilities of the State Government. Following are the transactions carried out in the Fund:

(₹in crore)

Opening balance as on 01 April 2019	Required contribution (0.5 per cent of the outstanding liabilities as on 31 March 2019).	Additions to the Fund (contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2020
		Contribution made during the year	interest added during the year				
4917.62	984.82	300.00	450.16	17.05	5650.73	5610.26	40.47
		750.16					

Details of transactions are given in statements 21 and 22.

(e) Guarantee Redemption Fund: The Government of the composite State of Andhra Pradesh set up the Guarantee Redemption Fund (GRF) in the year 2002-03, which is administered by the RBI. The Government of Telangana, in 2014, created the Guarantee Redemption Fund for the State and also issued guidelines towards the operation of the same. According to the guidelines, the State Government shall contribute @ one per cent of all the guarantees outstanding at the end of previous year towards initial contribution. Thereafter, it shall contribute at minimum of 0.5 per cent on the guarantees outstanding as on December 31 every year so that the minimum level of 3 per cent is achieved during the subsequent five years. The Fund shall be gradually increased to a desirable level of 5 per cent. Following are the transactions in the Fund:

(₹in crore)

Opening balance (01 April 2019)	Required contribution (0.5 per cent of balance as on 31 March 2019).	Additions to the Fund (contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI to the end of the year	Closing balance (31 March, 2020)
		Actual contribution made	Interest				
837.70	448.00	300.00	95.06	7.51	1,225.25	1,225.25	Nil
	340.00*						

(*An amount of ₹340.00 crore collected as Guarantee Commission during 2018-19 was required to be transferred in 2019-20 but not transferred.)

The detailed information with regard to Guarantee Commission was not furnished by the State Government.

The Guarantee Redemption Fund balance constituted 1.58 per cent of the outstanding guarantees of ₹77,712.86 crore at the end of the previous year, which is less than the desirable level of 3 per cent. Transactions related to the fund are depicted in Statements 21 and 22.

(viii) Suspense and Remittance Balances:

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on details furnished by the State Treasuries/Works and Forest Divisions/PAOs, etc. Details of significant Outstanding Suspense and Remittance Balances are given in **Annexure –D**.

(ix) MH 8670 Cheques and Bills:

Credit balance under MH 8670 Cheques and Bills indicates cheques issued but remaining un-encashed. The opening balance as on 01 April 2019 was ₹72.11 crore (Credit). During 2019-20, cheques worth ₹34.84 crore were issued, against which ₹29.92 crore was encashed during the year, leaving a closing balance of ₹77.03 crore (Credit) as on 31 March 2020. The validity period of the cheques is one month from the date of issue.

(x) Contingency Fund:

The Government of Telangana set up the Contingency Fund under Article 267 (2) of the Constitution of India with a corpus of ₹50.00 crore. Advances from this Fund are made for purposes of meeting unforeseen expenditure which are recouped to the Fund to the full extent as soon as the State Legislature authorizes the additional expenditure.

During the period from 01 April 2019 to 31 March 2020, 19 sanctions amounting to ₹7.94 crore were issued by the State Government. Of these an amount of ₹6.43 crore was met from the Contingency Fund and an amount of ₹4.32 crore was recouped during the year. However, the recouped amount also includes ₹2.10 crore, which pertains to the financial year 2018-19. This leaves an un-recouped balance of ₹4.21 crore as on date.

(xi) Restructuring of Centrally Sponsored Schemes (CSSs)/Additional Central Assistance (ACA) excluding Block Grants:

The Government of India/NITI AYOGE vide Office Memorandum dated 17 August 2016 had rationalised the existing 66 Centrally Sponsored Schemes into 28 Umbrella Schemes with effect from 2016-17. Consequent to the merger of Plan/Non-Plan, the Central Assistance released is now classified as Central Assistance/Share under Centrally Sponsored Schemes. As against ₹11,176.73 crore depicted in the Public Financial Management System (PFMS) portal of Controller General of Accounts (CGA) towards Central Assistance for Centrally Sponsored Schemes of the Government of Telangana in 2019-20, Clearance Memos from RBI, CAS, Nagpur and supporting sanction orders from the respective Ministries were received for ₹11,598.42 crore. The same have been appropriately booked in the accounts of the State Government under MH 1601 Grants-in-Aid from the Central Government.

The total expenditure booked under Centrally Sponsored Schemes is ₹6,572.19 crore (Revenue Expenditure ₹5,228.54 crore and Capital Expenditure ₹1,343.65 crore), which includes expenditure made out of Central Assistance and State share for Centrally Sponsored Schemes.

(xii) Direct transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget):

GoI until 31 March 2014 transferred substantial funds directly to State Implementing Agencies/Non-Government Organizations (NGOs) for implementation of various Schemes/Programmes. From 01 April 2014, GoI decided to release funds directly to the State Government instead of to the implementing agencies. However, it was observed from the PFMS portal of the Controller General of Accounts (CGA), that Government of India has released ₹20,347.57 crore directly to the State implementing agencies in Telangana during the year 2019-20 . Details are at **Appendix-VI**.

(xiii) Committed Liabilities:

In terms of the recommendations of the Twelfth Finance Commission, action has been initiated by the Central Government to move towards accrual basis of accounting. However, as the transition would occur in stages, for a changeover to the accrual based system of accounting, additional information in the form of statements were required to be appended to the present system of cash accounting to enable more informed decision making. The Appendix on committed liabilities has been kept blank for want of information from the State Government.

(xiv) Expenditure on Ecology and Environment:

The National Environment Policy, 2006 is intended to mainstream environmental concerns in all developmental activities. The Budget and expenditure data relating to “Environment”, “Waste Management”, “Prevention and control of Pollution”, “Environment Research and Education” and “Environmental Protection”, etc. are compiled from the accounts/ Budget documents, etc. rendered by the State Government.

The expenditure incurred by the State Government towards environment is depicted in the Finance Accounts up to the level of Minor Head under various functional head of accounts. Normally the expenditure relating to environment protection is booked under the Major Head 3435 Ecology and Environment. During the year, the Government of Telangana incurred ₹0.86 crore as against the budget allocation of ₹0.91 crore. The expenditure was 0.0014, 0.0012, 0.0008 *per cent* of the total Revenue expenditure incurred during 2017-18, 2018-19 and 2019-20 respectively, which is negligible. The object head level have been

compiled based on accounts/ information received from the State Government and is shown in **Annexure E**.

(xv) Impact of incorrect/ inadequate booking on Revenue Surplus/Fiscal Deficit:

Impact on Revenue Deficit/Fiscal Deficit of the State Government consequent to the incorrect/inadequate booking (details given in preceding paragraphs) is given below:

(₹in Crore)

Paragraph no.	Item	Impact on Revenue Deficit		Impact on Fiscal Deficit	
		Over statement	Under statement	Over statement	Under statement
2.(ii)	GIA and Minor works booked under Capital Section		2,402.93		
3(ii)	Short contribution of Government matching share towards NPS		4.97		4.97
3 (vii)(b)	Non-provision of interest on interest bearing Reserve Funds and Deposits		27.92		27.92
Total net impact		2435.82 (Net under statement)		32.89 (Net under statement)	

(xvi) Disclosures under the Telangana Fiscal Responsibility and Budget Management (FRBM/ MTFP) Act, 2005:

As per the Telangana Fiscal Responsibility and Budget Management (Telangana FRBM) Rules, 2006, the State Government shall, at the time of presenting the budget, make various disclosures.

The Budget document for 2019-20, however did not provide for disclosures with regard to the following

- Weighted Average Interest Rate on State Government Liabilities,
- Statement of Assets,
- Tax Revenue Raised but not Realised,
- Statement of Outstanding Miscellaneous Liabilities.

Targets fixed by the State Government in Telangana FRBM/MTFP Act, 2005 and the rules framed there under, and ceilings fixed based on the recommendations of the Fourteenth Finance Commission, alongwith achievements as per the accounts of 2019-20 are given below:

Sl. No.	Targets for 2019-20	Achievements in 2019-20
1.	Revenue Surplus: To be maintained.	As per the Accounts, the Government of Telangana had a Revenue deficit of ₹6,254.06 crore in 2019-20.
2.	Fiscal Deficit: Not to exceed 3.25 <i>per cent</i> of GSDP.	As per the Accounts, the Fiscal Deficit of Government of Telangana is ₹31,758.61 crore. Target : FD should not exceed 3.25 per cent of GSDP (₹9,69,604 crore) = ₹31,512.13 crore One time special dispensation = ₹1,435 crore Revised target = ₹31,512.13 crore + ₹1,435 crore = ₹32,947.13 crore Actual FD = ₹31,758.61 crore which is less than revised target.
3.	Outstanding Liabilities: The outstanding liabilities not to exceed 25 <i>per cent</i> of the GSDP as fixed for the financial year 2019-20 as given in Statement of Fiscal Policy presented to the Telangana State Legislature in September 2019.	The total outstanding liabilities of the State Government is ₹2,32,180.90 crore i.e 23.95 <i>per cent</i> of GSDP for the year 2019-20
4.	Annual incremental risk weighted Guarantees: Not to exceed 200 <i>per cent</i> of the Total Revenue Receipts (TRR) in the year preceding the current year.	Outstanding Guarantees as on 31 March 2020 of ₹89,600.79 crore is 88.35 <i>per cent</i> of TRR of ₹1,01,420.16 crore (ie, 2018-19).

Note: GSDP figure at current prices for 2019-20: ₹9,69,604 crore
(Source: Directorate of Economics and Statistics).

ANNEXURE-A
(Refer to Para 1(ii) at page 66)
STATEMENT OF PERIODICAL / OTHER ADJUSTMENTS

S.No.	Book Adjustment	Head of Account		Amount (₹)	Remarks
		From	To		
A	Periodical Adjustments-				
1	State Government Insurance Fund	1.8011-00-105-01-000 Insurance and pension Funds	1.2235-60-902-96-630-631 Social Security and Welfare	14,96,52,833	Amount met from State Government Life Insurance Fund
		2.8011-00-107-01-000 - Insurance and pension Funds	2.2235-60-902-97-630-631 - Social Security and Welfare	50,63,393	
2.	Contributory Pension Scheme	2071-01-117-04 Pensions and Other Retirement benefits	8342-117-04-002 Other Deposits	586,32,07,704	Government's contribution towards Defined Contribution Pension Scheme.
3.	Insurance and Pension Funds	2049-03-108-05-450-Interest on State Life Insurance Fund	8011-00-105-01-000 Insurance and pension Funds	264,15,29,067	Interest on Pension & Insurance Fund, etc.
4	Adjustment of Prorata Charges	1.2210-06-101-25-97-630/632 Medical and Public Health/Prevention and Control of Diseases ` 4,18,623	2210-80-800-90-630/631 Medical and Public Health	77,15,805	Transfer of repair Charges- Pro-rata adjustment of Vehicle charges
		2. 2211-104-12-97-630/632 -Family Welfare ` 57,42,290			
		3.2210-01-110-96-630/632 Medical and Public Health/Hospitals and Dispensaries `15,54,892			
5	State Employees Group Insurance Funds	2049-03-108-07-450 -Interest on Employees Group Insurance Fund	8011-107-01-003 Insurance and pension Funds	20,42,40,887	Interest on Group Insurance Fund

S.No.	Book Adjustment	Head of Account		Amount (₹)	Remarks
		From	To		
6	Subscriptions and Contributions	2235-60-105-01/03-040-041-Government employees Insurance Scheme	0071-01-101-81-000	34,90,000	Subscriptions and Contributions
7	Religious and Charitable Endowment Funds	8235-00-103-01-000 General and Other Reserve Funds	2250-902-90-630/631-Other Social Services (Religious and Charitable endowments fund)	29,22,61,083	Amounts met from Hindu Charitable Funds
8.	General Provident Fund	2049-03-104-04-450 Interest on General Provident Fund ` 4,54,09,84,918	8009-01-101 &104 State Provident Funds	457,37,85,072	Interest adjustment on General Provident Fund
		2049-03-104-05-450 -Interest on All India Services Provident Fund ` 3,28,00,154			
9	Sericulture Development Fund	2851-797-04-630/631 Village and Small Industries	8229-106-04 Development and Welfare Funds	19,40,997	Transfer to Sericulture Development Fund
10.	Sericulture Development Fund	8229-00-106-04-000 Development and Welfare Funds	2851-00-902-90-630/631 -Village and Small Industries	6,14,000	Expenditure met from Sericulture Development Fund
11.	National Disaster Response Fund	8121-122-01-002 - General and Other Reserve Funds	2245-05-901-96-630/631-Relief on account of Natural Calamities	25,80,59,503	Expenditure met from National Disaster Response Fund
12.	Central Road Fund	3054-04-797-25-04-630/631 -Roads and Bridges	8449-00-103 -01-000 - Other Deposits	234,06,00,000	Transfer to Central Road Fund
13	Central Road Fund	8449-00-103 -01-000 Other Deposits	5054-04-902-25-90-630/631 Capital Outlay on Roads and Bridges	222,22,83,102	Amount met from Central Road Fund
14	State Compensatory Afforestation fund	8121-129-01-001- State -General and Other Reserve Fund	2406-04-902-96-630-631 Forestry and Wild Life	5,01,26,10,000	Amount met from State Compensatory Afforestation Fund

S.No.	Book Adjustment	Head of Account		Amount (₹)	Remarks
		From	To		
B. Other Adjustments					
1.	Lapsed Deposits	8443-00-101-01-000 Revenue Deposits	0075-00-101-01 Miscellaneous General Services	28,15,939	Lapsing of Revenue Deposits
2.	Lapsed Deposits	8443-00-103-01-000 Security Deposits	0075-00-101-01 Miscellaneous General Services	12,15,772	Lapsing of Security Deposits
4.	Lapsed Deposits	8443-00-116-01-000 Labour Act	0075-00-101-01 Miscellaneous General Services	52,700	Lapsing of Labour Act Deposits
5.	Lapsed Deposits	8443-00-121-02-000 Deposits made by Candidates for Parliament	0075-00-101-01 Miscellaneous General Services	2,87,500	Lapsing of Deposits in connection with elections
6	Lapsed Deposits	8443-00-121-01-000 Deposits made by Candidates for Legislature	0075-00-101-01 Miscellaneous General Services	3,40,000	Lapsing of Deposits in connection with elections
7	Loans to Govt servants	2075-00-795-04-640	7610-00-201-04-000 Loans to Govt Servants	5,71,616	Write-off of outstanding balances of HBA(House Building Advance)
8	Reserve Fund/Deposits- Transfer to Consolidated Fund	8115,8121,8226, 8229 & 8235	2075-00-911-96 000- Miscellaneous General Services	16,34,05,731	As per Finance Department Lr. No. 2681/BG/Finance/2019 Dated 10.2019

Note: Dr' items of Transfer entries are given under "From" column and 'Cr' items under "To" column.

ANNEXURE-B

(Refer to Para 2(i) at page 66)

STATEMENT OF RECEIPTS SHOWING MAJOR HEAD WISE RECEIPTS UNDER MH 800 FOR THE YEAR 2019-20

(₹in Crore)

S.No	Major Head	Description	Total Receipts	Receipts booked under Minor Head 800	Percentage of Receipts booked under MH 800 as against the total Receipts
1	1456	Civil Supplies	6.92	6.93	100.23
2	0056	Jails	0.43	0.43	100.00
3	0408	Food Storage and Warehousing	0.73	0.73	100.00
4	0211	Family Welfare	0.06	0.06	100.00
5	0235	Social Security and Welfare	5.40	5.40	100.00
6	0435	Other Agricultural Programmes	0.05	0.05	100.00
7	0506	Land Reforms	3.63	3.63	100.00
8	0515	Other Rural Development Programmes	106.90	106.90	100.00
9	0801	Power	9.39	9.39	100.00
10	1053	Civil Aviation	4.23	4.23	100.00
11	1056	Inland Water Transport	0.00	0.00	100.00
12	1452	Tourism	4.87	4.87	100.00
13	0217	Urban Development	21.09	21.09	100.00
14	0701	Medium Irrigation	13.28	13.28	99.99
15	1054	Roads and Bridges	46.17	45.98	99.60
16	0700	Major Irrigation	17.76	17.62	99.25
17	0216	Housing	101.36	100.01	98.67
18	0425	Co-operation	5.42	5.30	97.69
19	0058	Stationery and Printing	1.69	1.61	95.06
20	0401	Crop Husbandry	13.95	12.86	92.19
21	0075	Miscellaneous General Services	2159.32	1764.48	81.71
22	0702	Minor Irrigation	1.96	1.58	80.55
23	0059	Public Works	6.70	4.94	73.77
24	0406	Forestry and Wild Life	53.29	37.60	70.55
25	0049	Interest Receipts	17.56	9.41	53.55
26	0070	Other Administrative Services	186.38	86.71	46.53
27	0029	Land Revenue	0.99	0.41	41.83
28	0220	Information and Publicity	0.06	0.02	28.51
29	0055	Police	146.79	34.74	23.66
30	0853	Non-ferrous Mining and Metallurgical Industries	3486.89	699.68	20.07
31	0403	Animal Husbandry	0.57	0.10	16.96
32	0006	State Goods and Services Tax SGST	23516.70	3841.15	16.33
33	0215	Water Supply and Sanitation	1.20	0.16	13.00

(*) Percentage figure more than 100 is due to refunds.

ANNEXURE-C

(Refer to Para 2(i) at page 66)

**STATEMENT OF EXPENDITURE SHOWING MAJOR HEAD WISE EXPENDITURE
UNDER MH 800 FOR THE YEAR 2019-20**

(₹in Crore)					
S.No	Major Head	Description	Total Expenditure incurred	Expenditure booked under Minor Head 800	Percentage of expenditure booked under MH 800 as against the total expenditure
1	5054	Capital Outlay on Roads and Bridges	956.63	1120.79	117.16
2	2810	New and Renewable Energy	30.13	30.13	100.00
3	2875	Other Industries	3.14	3.14	100.00
4	4070	Capital Outlay on Other Administrative Services	139.18	135.54	97.38
5	2801	Power	5192.01	3954.87	76.17
6	5475	Capital Outlay on Other General Economic Services	794.03	596.31	75.10
7	2401	Crop Husbandry	13111.51	9339.19	71.23
8	2245	Relief on account of Natural Calamities	1836.16	1186.58	64.62
9	4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	480.59	261.39	54.39
10	2236	Nutrition	2737.54	1336.91	48.84
11	2013	Council of Ministers	35.04	16.08	45.88
12	2501	Special Programmes for Rural Development	218.89	76.28	34.85
13	3454	Census, Surveys and Statistics	50.38	15.83	31.42
14	2700	Major Irrigation	302.67	88.67	29.30
15	2225	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	9853.03	2701.03	27.41
16	3054	Roads and Bridges	360.07	98.15	27.26
17	4875	Capital Outlay on Other Industries	62.93	15.00	23.84
18	2852	Industries	221.38	44.70	20.19
19	2029	Land Revenue	97.29	17.57	18.06
20	2405	Fisheries	33.11	5.69	17.18
21	2039	State Excise	254.49	30.91	12.15

(*) Percentage figure more than 100 is due to recoveries

ANNEXURE-D
(Refer to Para 3(viii) at page 79)

SIGNIFICANT OUTSTANDING SUSPENSE AND REMITTANCE BALANCES

(₹ in Crore)

Name of the Minor Head	2018-19		2019-20	
	Dr	Cr	Dr	Cr
8658 – Suspense Accounts				
101-Pay and Accounts Office Suspense	250.41	105.80	337.96	233.90
Net	(Dr)144.61		104.06 (DR)	
102-Suspense Accounts (Civil)	195.50	412.83	843.88	1035.05
Net	(Cr)217.33		191.17 (CR)	
109-Reserve Bank suspense Headquarters	5.32	4.87	5.23	1.32
Net	(Dr)0.45		3.91 (DR)	
110-Reserve Bank Suspense-Central Accounts Office	6.68	0.14	-10.87	12.46
Net	(Dr)6.54		23.33 (CR)	
112-Tax Deducted at source (TDS) Suspense	0.01	63.25	(-)0.01	314.30
Net	63.24(Cr)		314.31(CR)	
123- AIS officers Group Insurance Scheme	0.15	0.19	0.17	0.23
Net	(Cr) 0.04		0.06(CR)	
8793 – Inter-State Suspense Account	46.17	27.48	73.15	27.54
Net	Dr 18.69		45.61 (DR)	

ANNEXURE E
(Refer to Para 3(xiv) at page 80)
Expenditure on Ecology and Environment

(In Rupees)							
Head of Account	Description	2017-18		2018-19		2019-20	
		Budget(O+S)	Expenditure	Budget(O+S)	Expenditure	Budget(O+S)	Expenditure
3435-03-101-(06)-300/300	Other contractual services	1700000	1699756	1725000	1507115	137000	137942
3435-03-101-(06)-300/302	Outsource engagements	0	0	0	0	2045000	1541512
3435-03-101-25-(02)-310/312	Other GIA	10000000	10000000	10000000	5000000	6875000	6875000
3435-03-101-12-(07)-310/312	Other GIA	0	0	5600000	5600000	0	0
	TOTAL	11700000	11699756	17325000	12107115	9057000	8554454
	MH 3435 Expenditure (Rs. In lakh)	117.00	117.00	173.25	121.07	90.57	85.54
	Revenue Expenditure (Rs. In lakh)		8536472.08		9708307.87		10879787.60
	Percentage		0.0014		0.0012		0.0008

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