



**Report of the  
Comptroller and Auditor General of India  
on  
State Finances  
for the year ended March 2016**



**Government of Telangana**  
*Report No. 3 of the year 2017*



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## Preface

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This Report pertaining to the State of Telangana for the year ended March 2016 has been prepared for submission to the Governor of Telangana under Article 151 of the Constitution of India.

Chapters 1 and 2 of this Report contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2016. Information has been obtained from the Government of Telangana wherever necessary.

Chapter 3 on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

The Report(s) containing the findings of Performance audit and Compliance audit in various Departments and observations arising out of audit of Local Bodies, Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

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# Executive Summary

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## 1 The Report

*This report provides an analysis of the finances of the State Government, based on the audited accounts of the Government of Telangana for the year ended March 2016. The Report is structured in three Chapters.*

**Chapter 1** is based on the Finance Accounts and makes an assessment of the Government's fiscal position as on 31 March 2016. It presents and analyses the State Government's resources and their application, developmental expenditure, borrowing pattern, sustainability of debt etc. It also assesses the adequacy of the State's fiscal priorities.

**Chapter 2** is based on audit of the Appropriation Accounts and reviews the allocative priorities of the State Government and the manner in which the allocated resources were managed by the various Departments.

**Chapter 3** gives an overview of the State Government's compliance with various reporting requirements and financial rules.

*The data collated from several sources in support of the findings of Audit are included as appendices at the end of the report.*

## 2 Audit findings

### 2.1 Analysis of Finances of the State Government

*The State registered revenue surplus of ₹ 238 crore during 2015-16. It is overstated due to misclassification of grants-in-aid (₹ 151 crore) under capital heads and crediting off-budget borrowings (₹ 3,719 crore) to revenue receipts. Fiscal deficit which stood at 3.23 per cent of GSDP is understated by (₹ 3,719 crore) due to crediting off budget borrowing to revenue receipts. It would have the effect of increasing the ratio of fiscal deficit to GSDP from 3.23 per cent to 3.87 per cent.*

*Total outstanding liabilities constituted 21.37 per cent of GSDP which was within the ceiling of 21.55 per cent prescribed by the 14<sup>th</sup> Finance Commission.*

*52.5 per cent of the revenue receipts of ₹ 76,134 crore during 2015-16 came from the State's own tax revenue and 19 per cent came from the revenue receipts from non tax revenue collections, the rest coming from the State's share of Central taxes (16.2 per cent) as well as a central grants (12.3 per cent). During the year, Government issued orders to remit the unspent balances in PD accounts to revenue receipts in violation of accounting provisions inflating revenue receipts to the extent of ₹ 4,218 crore.*

*Non-plan revenue expenditure of ₹ 54,656 crore constituted 72 per cent of the total revenue expenditure (₹ 75,896 crore) during the year. Capital expenditure (₹ 13,590 crore) stood at 14 per cent of the total expenditure, constituting 2.33 per cent of GSDP. Capital projects in irrigation and road sectors were not completed in time, resulting in non-achievement of the*

*envisaged benefits. During the year, revenue expenditure accounted for 80 per cent of State's aggregate expenditure, which was in the nature of current consumption, leaving only 20 per cent for investment in infrastructure and asset creation. Although the State Government accorded adequate fiscal priority to development expenditure during 2015-16, it could not ensure that the allocated funds released were utilised optimally for the intended purposes.*

*Despite, an increase of ₹ 947 crore in investments during the year, the return on investments declined compared to the previous year. The current level of recovery of loans was low with a significant gap between disbursements (₹ 5,233 crore) and recovery (₹ 88 crore).*

*The maturity profile of debt indicates that the State has to repay more than 53 per cent of its total debt within the next seven years.*

*(Chapter 1)*

## **2.2 Financial Management and Budgetary Control**

*Many instances of unrealistic budgetary assumptions and weaknesses in expenditure monitoring and control were observed during the year. Actual expenditure (₹ 1,04,098 crore) incurred was less than the budget provision (₹ 1,39,360 crore) and savings for the current year stood at ₹ 35,262 crore (25 per cent). Out of the savings, ₹ 16,269 crore were surrendered on 31 March 2016.*

*Several policy initiatives taken up by Government remained either unfulfilled or were partially executed, primarily due to non-approval of the scheme guidelines/modalities, non-commencement of works for want of administrative sanction and poor project implementation, apart from the non-release of funds.*

*Excess expenditure of ₹ 5,881 crore was incurred during 2015-16 without legislative authorization. Regularisation of excess expenditure for the year 2014-15 amounting to ₹ 304 crore was yet to be carried out by Government by taking legislative approval. Lumpsum provisions (₹ 55 crore) without specific details of expenditure were included in the budget for 2015-16. The entire provision was surrendered at the end of the year. There were several instances of budgetary misclassifications on subsidies, subvention from Central Road Fund etc., which indicated deficiencies in budget formulation.*

*Unrealistic budgetary allocations resulting in substantial savings, unnecessary supplementary grants, expenditure incurred without provision and excess re-appropriations, resulting in excess provision were indicative of poor budget management.*

*(Chapter 2)*

## **2.3 Financial reporting**

*There were delays in submission of annual accounts by several autonomous bodies/authorities which diluted the accountability and defeated the very purpose of preparation of accounts.*

*Utilisation certificates were furnished without actual utilisation in respect of funds drawn for execution of various schemes. Detailed Contingent bills were not submitted (₹ 511.71 crore)*

*for periods dating back to 2003 in violation of the prescribed rules and regulations, which is indicative of lack of internal controls, besides raising apprehensions about the proper end use of the funds.*

*There were huge accumulations of balances in the Personal Deposit accounts due to drawal of funds in advance of requirements and lapsing of unspent balances at the end of the year. All these point to lapses in monitoring and control over these accounts.*

*The omnibus Minor Head 800 continued to be operated during the year for recording expenditure and receipts relating to several items even where there were earmarked heads of accounts. The expenditure booked under this head affects transparency in financial reporting and distorts any meaningful analysis of allocative priorities and quality of expenditure.*

*Substantial adverse balances remained under Public Debt and Deposit heads. Large outstanding balances under suspense heads affect the quality of financial reporting. Lapsing of deposits, non-submission of DC bills and excess payment of pension/family pension indicate ineffective internal controls.*

*The interest liability (₹ 716.64 crore) on account of Zilla Parishad Provident Fund was not discharged by the Government on deposits of Zilla Praja Parishads on the PF contributions.*

*It was also seen that there was non-reconciliation of 57 per cent (₹ 53,884 crore) of the total expenditure and 52 per cent (₹ 39,360 crore) of the total receipts with the books of Accountant General (A&E) during the year indicating disregard of codal provisions and financial rules by the controlling officers. Similarly, 10,852 vouchers in support of payments made for an amount of ₹ 3,532 crore from the PAO/Treasuries were not received, which made the system vulnerable to the risk of misappropriation and fraud.*

*(Chapter 3)*



### Profile of Telangana State

**T**elangana came into existence as a state of the Indian Union on 2 June 2014. With a geographical area of 1.12 lakh sq. km. and a population of 3.52 crore (2011 Census), it is the twelfth largest State in terms of both area and size of population (*Appendix 1.1*).

While 61.12 *per cent* of the population resides in rural areas, the remaining 38.88 *per cent* lives in urban areas. The capital city of Hyderabad accounts for over 30 *per cent* of the State's total urban population.

As specified in the Andhra Pradesh Reorganisation Act, 2014, the State of Telangana comprises<sup>1</sup> 10 districts viz., Adilabad, Karimnagar, Medak, Nizamabad, Warangal, Rangareddy, Nalgonda, Mahaboobnagar, Khammam (excluding the revenue villages in the Mandals specified<sup>2</sup> and the revenue villages of Bhurgampadu, Seetharamanagaram and Kondreka in Bhurgampadu Mandal) and Hyderabad.

### Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognized final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important economic indicator of the State economy. The GSDP of Telangana for 2015-16 was ₹ 5,83,117 crore.

**Table 1.1: Statement of GSDP**

Year	2014-15	2015-16
India's GDP <sup>3</sup> (₹ in crore)	1,24,88,205*	1,35,76,086 <sup>#</sup>
Growth rate of GDP ( <i>per cent</i> )	---	8.71
State's GSDP (₹ in crore)	5,22,001*	5,83,117 <sup>#</sup>
Growth rate of GSDP ( <i>per cent</i> )	---	11.71

Source: GSDP- Directorate of Economics & Statistics of Government of Telangana. \* First revised estimates, <sup>#</sup>Advance estimates

## 1.1 Introduction

This Chapter provides a broad perspective of the finances of the Government of Telangana during the year. This analysis is based on the Finance Accounts and information obtained from the State Government. The structure of Government Accounts and the layout of Finance Accounts are given in *Appendix 1.2*.

**As the financial data of 2014-15 pertained to only a ten month period and 2015-16 to a full financial year, no trend analysis has been attempted in this report.**

## 1.2 Summary of current year's fiscal transactions

**Table 1.2** presents the summary of State Government's fiscal transactions during the year 2015-16, while *Appendix 1.3* provides the details of receipts and disbursements as well as overall fiscal position during the year.

<sup>1</sup> 31 Districts with effect from 11 October 2016

<sup>2</sup> G.O.Ms. No.111, Irrigation and CAD (LA IV R&R-I) Department, dated 27 June 2005

<sup>3</sup> GDP data as per Central Statistics Office (July 2016)

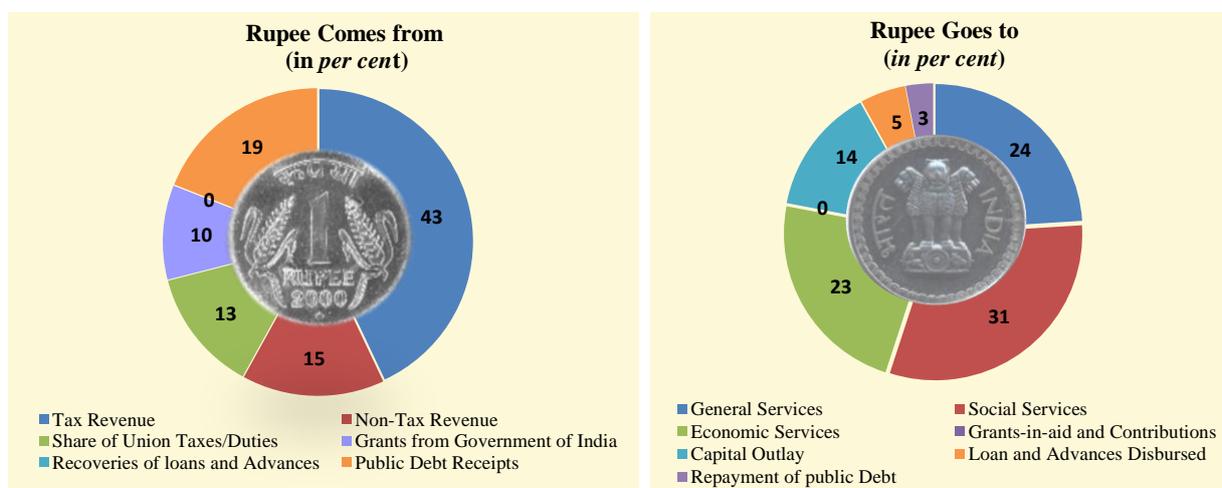
**Table 1.2: Summary of Receipts & Disbursements**

(₹ in crore)

Receipts	2014-15	2015-16	Disbursements	2014-15	2015-16		
Section A – Revenue				Total	Non-Plan	Plan	Total
Revenue Receipts	51,042	76,134	Revenue Expenditure	50,673	54,656	21,240	75,896
Tax Revenue	29,288	39,975	General Services	14,164	23,146	101	23,247
Non-Tax Revenue	6,447	14,414	Social Services	18,753	15,386	15,080	30,466
Share of Union Taxes/Duties	8,189	12,351	Economic Services	17,644	15,984	6,059	22,043
Grants from GoI	7,118	9,394	Grants-in-aid and Contributions	112	140	---	140
Section B – Capital & Others							
Misc. Capital Receipts	---	---	Capital Outlay	8,373	---	13,590	13,590
Recoveries of Loans and Advances	77	88	Loans and Advances Disbursed	1,483	5,233	---	5,233
Public Debt Receipts	9,580	17,498	Repayment of Public Debt	1,727	2,845	---	2,845
Net of inter-state Settlement	---	---	Net of inter-state Settlement	--	359	---	359
Contingency Fund	50	---	Contingency Fund	50	---	---	---
Public Account Receipts	2,22,579	86,385	Public Account Disbursements	2,20,971	80,909	---	80,909
Opening Cash Balance	5,144	5,195	Closing Cash Balance	5,195	6,468	---	6,468
<b>Total</b>	<b>2,88,472</b>	<b>1,85,300</b>	<b>Total</b>	<b>2,88,472</b>	<b>1,50,470</b>	<b>34,830</b>	<b>1,85,300</b>

Source: Finance Accounts 2015-16

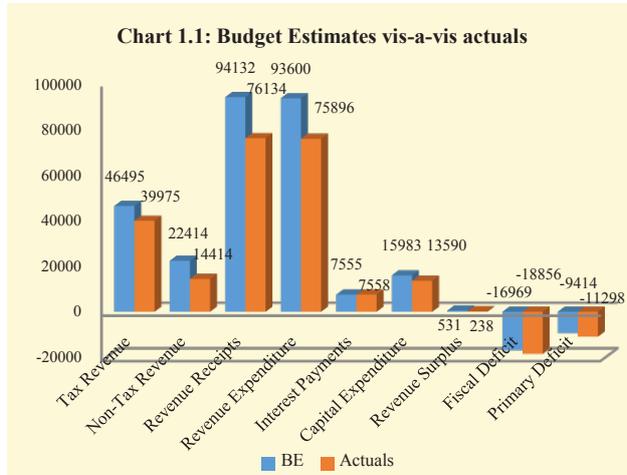
Government of Telangana generated revenue surplus of ₹ 238 crore during the year 2015-16. Its fiscal deficit (₹ 18,856 crore) stood at 3.23 *per cent* of GSDP during the current year. This is within the ceiling of 3.50 *per cent* prescribed by the 14<sup>th</sup> Finance Commission and MEFS<sup>4</sup>.



<sup>4</sup> Macro-Economic Framework Statement

### 1.3 Budget estimates and actuals

Budget Estimates (BE) and actuals for key fiscal parameters are given in **Chart 1.1** and **Appendix 1.4**.



Source: Budget in Brief and Finance Accounts 2015-16

There were considerable variations between budget estimates and actuals in respect of some items of expenditure. Shortfall of more than 25 per cent and above ₹500 crore were noticed mainly under Water Supply and Sanitation (82 per cent), Welfare of SCs, STs, OBCs and Minorities (39 per cent), Irrigation and Flood Control (33 per cent), Rural Development (33 per cent) and Power (27 per cent).

Overall, revenue expenditure was lower than the budget estimates by 19 per cent (₹17,704 crore). Of this, savings were ₹13,063 crore and ₹4,641 crore under Revenue Plan expenditure and Non-Plan expenditure, respectively.

Similarly, there was shortfall of 15 per cent (₹2,393 crore) in respect of capital expenditure mainly under Economic services (₹2,252 crore), where expenditure was ₹11,164 crore against the budget allocation of ₹13,416 crore.

On the receipts side, revenue receipts fell short of BE by 19.12 per cent (₹17,998 crore) mainly due to shortfall in Grants-in-aid, Taxes on Sales, Trade and Miscellaneous General services. Similar shortfall had occurred under these items during 2014-15. Fiscal and primary deficits were higher than BE by 11 per cent (₹1,887 crore) and 20 per cent (₹1,884 crore), respectively. Revenue surplus (₹238 crore) was lower than BE (₹531 crore) by 55 per cent (₹293 crore).

### 1.4 Fiscal Reform Path

As per Section 100 of AP State Reorganisation Act, 2014 any law which was in force in the composite state of Andhra Pradesh will continue to be in force in the territories which comprised it, unless otherwise provided by a competent authority. Therefore, FRBM Act 2005, as amended in 2011 by Composite state of Andhra Pradesh is also applicable to Telangana. Accordingly, the Statement of Fiscal policy was laid on the table of the Telangana State Legislature in March 2016. As per Rule 6 of AP Fiscal Responsibility and Budget Management Rules, 2006, the State Government, at the time of presenting the budget, makes disclosures as required under Section 10 of FRBM Act 2005 together with the prescribed statements. However, it was observed that disclosures<sup>5</sup> were made only partially in respect of Consolidated Sinking Fund, Guarantee Redemption Fund, Guarantees given by Government and details of number of employees' in Government, Public sector, Aided institutions and related Salaries and Pensions.

<sup>5</sup> Out of 10 disclosures required (Form-1 to Form-10), only four (Form-3, Form-4, Form-6 and Form-10) were made

A summary of FRBM Act 2005, as amended in 2011 and Section 100 of AP Reorganisation Act, 2014 and the targets prescribed in the Report of 14<sup>th</sup> Finance Commission are given in **Appendix 1.5**. Important targets relating to fiscal variables are indicated in **Table 1.3**.

**Table 1.3: Targets/Projections for Fiscal variables**

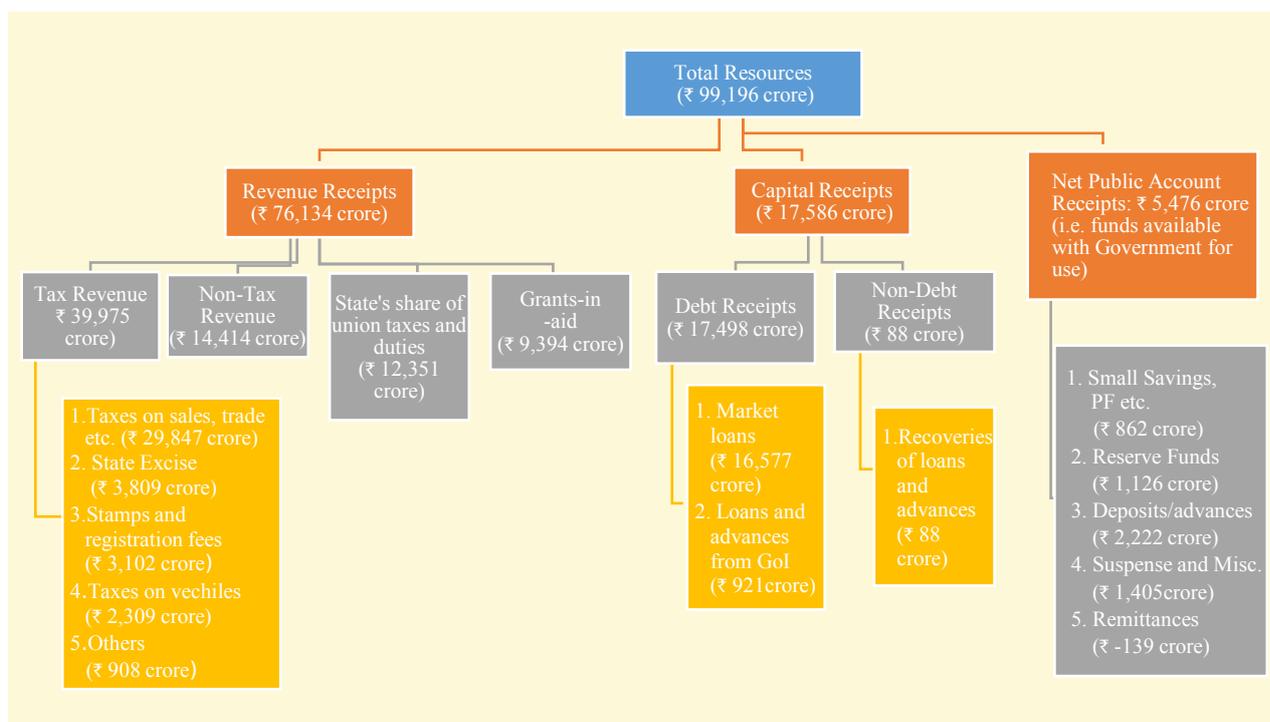
Fiscal variables	2015-16				
	14 <sup>th</sup> FC targets for the State	Targets prescribed in FRBM Act	Targets proposed in Budget	Projections made in MEFS	Actuals
Revenue Surplus (₹ in crore)	-	-	60.54	0.56	238
Fiscal Deficit/ GSDP (in per cent)	3.50	-	-	3.50	3.23
Ratio of total outstanding debt to GSDP (in per cent)	21.55	-	-	25.00	21.37

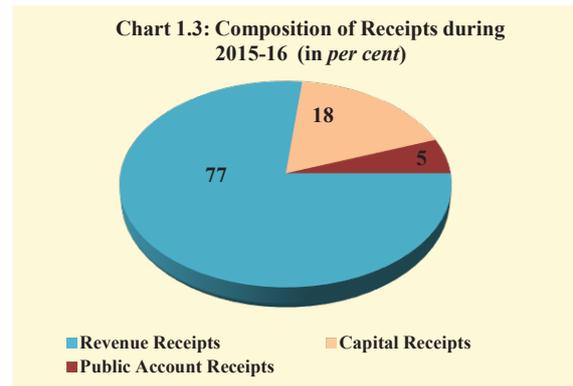
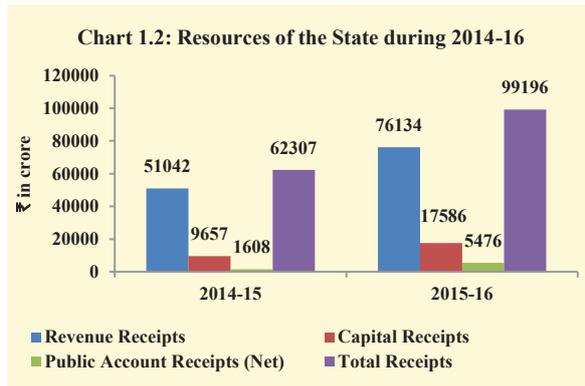
## 1.5 Resources of the State

### 1.5.1 Resources of the State as per Annual Finance Accounts

Revenue receipts and Capital receipts are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenue, non-tax revenue, State's share of Union taxes and duties and Grants-in-aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI as well as accruals from Public Account.

The following flowchart depicts the components and sub-components of resources of the State.



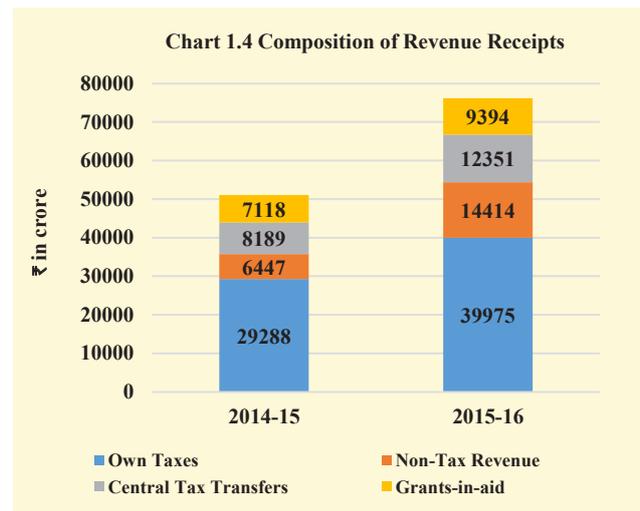


Out of the total resources of ₹ 99,196 crore of the State Government during the year 2015-16, revenue receipts (₹ 76,134 crore) constituted 77 per cent. Capital receipts (₹ 17,586 crore) and net Public Account receipts (₹ 5,476 crore) constituted 18 per cent and 5 per cent of the total resources respectively. **Chart 1.3** depicts the composition of total receipts of the State during the current year. Open Market borrowings constituted 94 per cent of capital receipts.

## 1.6 Revenue receipts

The composition of revenue receipts for the current year is presented in **Appendix 1.6** and also depicted in **Chart 1.4**.

During the year, Revenue receipts (₹ 76,134 crore) constituted 13 per cent of GSDP (₹ 5,83,117 crore). There was a shortfall of ₹ 17,998 crore (19.12 per cent) in revenue realized (₹ 76,134 crore) during the year against the projection of ₹ 94,132 crore made in the Budget. This was mainly due to shortfall of ₹ 8,000 crore under non-tax revenue and ₹ 3,006 crore in Grants-in-aid.



Source: Finance Accounts 2015-16

The actual receipts under the State's tax and non-tax revenue *vis-à-vis* projections made by the State Government during 2015-16 are given in **Table 1.4** below:

**Table 1.4: Tax and Non-tax Revenue *vis-à-vis* projections**

	14 <sup>th</sup> FC targets for the state	Projections by State Government in Budget	Projections by State Government in MEFS	Actuals
Tax Revenue	49,981	46,495	43,535	39,975
Non-Tax Revenue	7,444	22,414*	10,722	14,414

Source: Finance Accounts 2015-16 and MEFS 2016; \*Figure due to rounding

Actual realization of tax revenue was lower than the projection made by Government and Fourteenth Finance Commission. Actual non-tax revenue realized was lower than the estimates made by the Government, reasons for which are explained in paragraph 1.6.1.2.

## 1.6.1 State's own resources

While the State's share in Central taxes and Grants-in-aid are determined on the basis of recommendations of the Finance Commission and Central assistance for plan schemes etc., the State's performance in mobilization of resources is assessed in terms of its own resources comprising revenue from its own tax and non-tax resources.

### 1.6.1.1 Own tax revenue

The State's Own tax revenue (OTR) stood at ₹39,975 crore during the year and constituted 86 *per cent* of the estimated receipts (₹46,495 crore) and 52.51 *per cent* of the actual Revenue receipts (₹76,134 crore). Details are given in **Table 1.5**.

**Table 1.5: Components of State's Own Tax revenue**

(₹ in crore)

	2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals
Taxes on Sales, Trade etc.	26,963	22,121	35,463	29,847
State excise	2,824	2,808	3,916	3,809
Taxes on vehicles	2,227	1,618	2,500	2,309
Stamp Duty and Registration Fees	2,584	2,177	3,700	3,102
Land revenue	73	9	13	104
Taxes on goods and passengers	9	7	9	33
Other taxes <sup>6</sup>	698	548	894	771
<b>Total</b>	<b>35,378</b>	<b>29,288</b>	<b>46,495</b>	<b>39,975</b>

Source: Finance Accounts 2015-16

There was a shortfall of ₹5,616 crore under Taxes on Sales and Trade during the year which was mainly on account of the shortfall of ₹6,138 crore under Telangana VAT. Against estimates of ₹25,862 crore, an amount of ₹19,724 crore was only collected under Telangana VAT. An amount of ₹2,157 crore was collected against the estimates of ₹1,217 crore under Central Sales Tax Act, resulting in excess collection of ₹940 crore.

### 1.6.1.2 Non-Tax Revenue

Non-tax revenue (NTR) constituted 19 *per cent* of the total revenue receipts during the year.

**Table 1.6: Non-Tax Revenue**

(₹ in crore)

Revenue Head	2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals
Interest receipts	2,638	2,766	2,794	2,878
Dividends & Profits	20	134	20	69
Other non-tax receipts	10,584	3,547	19,600	11,467
<b>Total</b>	<b>13,242</b>	<b>6,447</b>	<b>22,414</b>	<b>14,414</b>

Source: Finance Accounts 2015-16

<sup>6</sup> Other Taxes include Taxes on Immovable Property other than Agricultural Land, Taxes and Duties on Electricity, Agricultural Income, Other taxes on Income and Expenditure, and other taxes and duties on commodities and services

During the year, non-tax revenue receipts collected were lower than the budget estimates by ₹ 8,000 crore (35.69 *per cent* of the budget estimates). Though an amount of ₹ 13,500 crore was estimated to be collected under ‘Regularization and sale of property’ during 2015-16, the State Government could realize an amount of ₹ 437.68 crore only, resulting in shortfall of 96.75 *per cent*. Among the other non-tax receipts, the major portion under Interest Receipts was from Departmental Commercial Undertakings (₹ 2,700 crore), including interest of ₹ 2,664 crore<sup>7</sup> which is notional in nature, arising out of book adjustments from Irrigation Projects. This amount constituted 18.48 *per cent* of the total non-tax revenue.

During the year 2015-16, there was an increase in Other Non-Tax Receipts over the previous year by ₹ 7,920 crore, mainly due to lapsing of balances in Personal Deposit Accounts and by remitting off budget borrowings (loans obtained from HUDCO) to Non-Tax Revenue Receipts under Water Supply Sanitation (HMWS&SB and TDWSC Ltd.) amounting to ₹ 1,150 crore and by Telangana State Housing Corporation Limited for an amount of ₹ 1,598.80 crore. The issue has been further discussed under paragraphs 1.8 and 1.12.4.

### 1.6.2 Central tax transfers

The State’s share in Union Taxes during the period was ₹ 12,351 crore. Major components of Central Tax transfers are Corporation Tax (₹ 3,870 crore), Taxes on Income other than Corporation Tax (₹ 2,675 crore), Customs Duty (₹ 1,979 crore), Service Tax (₹ 2,153 crore) and Union Excise Duties (₹ 1,662 crore). There was a shortfall of ₹ 472 crore in Central transfers against the budget figure of ₹ 12,823 crore, mainly under Service Tax (₹ 424 crore) and Corporation Tax (₹ 355 crore) and partly offset by excess collections under Union excise Duties (₹ 359 crore).

### 1.6.3 Grants-in-aid from Government of India

The details of Grants-in-aid from GoI and their composition during 2014-15 and 2015-16 are given in **Table 1.7**.

**Table 1.7: Grants-in-aid from Government of India**

Particulars	2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals
Non-Plan Grants	9,939	2,090	5,903	2,978
Grants for Centrally Assisted State Plan Schemes	11,781	5,028	6,497	6,416
<b>Total</b>	<b>21,721</b>	<b>7,118</b>	<b>12,400</b>	<b>9,394</b>
<b>Total grants as a percentage of Revenue Receipts</b>	<b>27.12</b>	<b>13.95</b>	<b>13.17</b>	<b>12.34</b>

Source: Finance Accounts 2015-16

During the year, total Grants-in-aid constituted 12.34 *per cent* of revenue receipts. There was a shortfall in grants-in aid under non-plan Grants by ₹ 2,925 crore, which was mainly due to reduction of Grants for Special Package and Additional Central Assistance (₹ 2,950 crore), CAMPA<sup>8</sup> Receipts (₹ 266 crore) and Compensation for loss of Revenue on account of

<sup>7</sup> As per Finance Accounts Statement no.14

<sup>8</sup> Compensatory Afforestation Fund Management and Planning Authority

phasing out of Central Sales Tax (CST) (₹127 crore), partly offset by excess grants under Grants from National Disaster Response Fund (₹472 crore).

### 1.6.3.1 Optimisation of 14<sup>th</sup> Finance Commission Grants

As per recommendations of 14<sup>th</sup> Finance Commission, GoI allocated grants of ₹905.57 crore during 2015-16. The details of grants released, disbursed and utilised during 2015-16 are given in the **Table.1.8**.

**Table 1.8: Grants released, disbursed and utilised during 2015-16**

(₹ in crore)							
Sl. No.	Department	Name of the Scheme	Total amount allocated during 2015-16	Amount released by GoI/State	Total Expenditure	UCs furnished	Balance amount to be released by GoI
1	2	3	4	5	6	7	8 (4 - 5)
1	Panchayat Raj	Basic Grant	580.34	580.34	580.34	580.34	---
2	Municipal Administration	Basic Grant	325.23	291.96	291.96	291.96	33.27
<b>Total</b>			<b>905.57</b>	<b>872.30</b>	<b>872.30</b>	<b>872.30</b>	<b>33.27</b>

Out of ₹905.57 crore recommended by FC, an amount of ₹872.30 crore was transferred to the State during the year 2015-16 and the shortfall was ₹33.27 crore. The Finance Department did not furnish the reasons for shortfall in grants from GoI.

### 1.6.3.2 Funds transferred to State implementing agencies outside the State budget

Government of India had decided to release all assistance related to the Centrally Sponsored Schemes/Additional Central Assistances to the State Government and not directly to implementing agencies from 1 April 2014. However, during 2015-16, GoI released ₹358.38 crore to the State implementing agencies directly in respect of Support to Discom for purchase of gas based power, National Rural Livelihood Mission etc., as shown in Appendix-VI of Finance Accounts.

## 1.7 Capital Receipts

The details of Capital Receipts and their composition during the year 2015-16 are given in **Table 1.9**.

**Table 1.9: Composition of Capital Receipts**

Sources of State's Receipts	(₹ in crore)			
	2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals
<b>Capital Receipts (CR)</b>	<b>15,788</b>	<b>9,657</b>	<b>20,505</b>	<b>17,586</b>
Public Debt Receipts	15,713	9,580	19,630	17,498
Recovery of Loans and Advances	75	77	875	88

Source: Finance Accounts 2015-16

During 2015-16, capital receipts constituted 85.76 per cent of estimated amount of ₹20,505 crore. Public debt receipts comprised the major component of Capital receipts

(99.50 per cent). The shortfall in Capital receipts was mainly due to less Internal debt of the Government comprising the Market Loans, Loans from NABARD and ways & means advances (shortfall of ₹ 3,829 crore) and recovery of loans and advances (₹ 787 crore), partly offset by excess under loans from other institutions (₹ 511 crore), Special securities issued to NSSF (₹ 1,062 crore) and block loans under Loans and Advances from Central Government (₹ 121 crore).

## 1.8 Public Account Receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for its own use. Composition of Public Account receipts and disbursements is detailed in **Table 1.10**.

**Table 1.10: Composition of Public Account receipts and disbursements**

Particulars	2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals
<b>A. Public Account Receipts</b>				
Small Savings, Provident Fund etc.	1,698	1,319	2,000	2,101
Reserve Fund	2,127	1,095	1,929	1,788
Deposits and Advances	27,707	23,433	30,478	39,840
Suspense and Miscellaneous	---	1,87,704	---	26,458
Remittances	---	9,028	---	16,198
<b>Total (A)</b>	<b>31,532</b>	<b>2,22,579</b>	<b>34,407</b>	<b>86,385</b>
<b>B. Public Account Disbursements</b>				
Small Savings, Provident Fund etc.	1,410	1,051	1,700	1,239
Reserve Fund	1,802	450	1,481	662
Deposits and Advances	23,555	21,274	30,177	37,619
Suspense and Miscellaneous	2,545	1,88,174	---	25,053
Remittances	---	10,022	---	16,336
<b>Total (B)</b>	<b>29,312</b>	<b>2,20,971</b>	<b>33,358</b>	<b>80,909</b>
<b>Net Public Account (A)-(B)</b>	<b>2,220</b>	<b>1,608</b>	<b>1,049</b>	<b>5,476</b>

Source: Finance Accounts 2015-16

Net public account receipts are mainly on account of net receipts under Deposits and Advances (₹ 2,221 crore). During the year 2014-15, unspent balances of ₹ 2,320 crore of various schemes were withdrawn from PD Accounts, of which an amount of ₹ 1,767 crore was minus debited (deduct expenditure) to revenue expenditure heads and ₹ 553 crore was credited to revenue receipts under the major head 0075 (Miscellaneous General services), instead of minus debiting to the respective expenditure heads.

During the year 2015-16, the entire amount of unspent balances of various schemes amounting to ₹ 4,217.56 crore were allowed to lapse to revenue receipts in terms of

instructions<sup>9</sup> issued by the State Government, instead of deducting the expenditure of the concerned service Major Heads of the schemes as per the rules. The revenue surplus was hence inflated and the fiscal deficit understated to the extent of ₹4,217.56 crore.

Rule 192(4) of Receipts and Payments Rules 1983, read with Article 271 (sub para 4) of Financial Code Volume I and para 3.10 of General directions in List of Major and Minor Heads, provides that in case of PD accounts that lapse to the Government account at the end of each financial year, the balance remaining at the credit of the account will be brought to 'Nil' by affording minus debit to the functional Head under Consolidated Fund. Further, if the unspent balance pertains to the previous years such lapsed balances shall be adjusted under Minor Head 912- deduct Recoveries below the Major Head where the original Expenditure was booked.

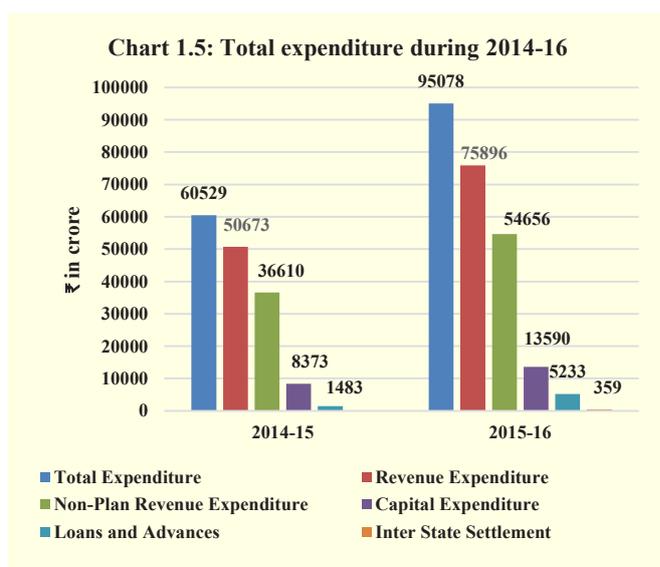
Contrary to the above provisions, the composite State of Andhra Pradesh<sup>10</sup> issued orders on the remittance of such lapsed deposits as revenue receipts. Also, during the year 2015-16, based on the G.O.Ms.No.43 dated 22 April 2000, Government of Telangana issued G.O.Ms.No.42 Finance (DCM) Department, dated 31 March 2016 on remittance of the unspent balances in PD Accounts to revenue receipts.

This has resulted in clear violation of accounting provisions and inflation of revenue receipts giving the State Government undue liberty in respect of the Fiscal deficit limits under the FRBM Act. State Government has to initiate action to review and amend the Government Order.

## 1.9 Application of resources

### 1.9.1 Composition of expenditure

Chart 1.5 presents the composition of total expenditure during the year 2015-16. The composition of total and sectoral expenditure is depicted in Chart 1.6 and 1.7 respectively.



Out of the total expenditure of ₹95,078 crore, revenue expenditure constituted 80 per cent, whereas capital expenditure and loans and advances constituted 14 per cent and six per cent respectively. During the year, 80.08 per cent of the total expenditure was met out of revenue receipts and the balance from borrowed funds. The total expenditure was less than the projected figure in the budget (₹1,11,975 crore).

Source: Finance Accounts 2015-16

Note: Total expenditure excludes repayment of public debt

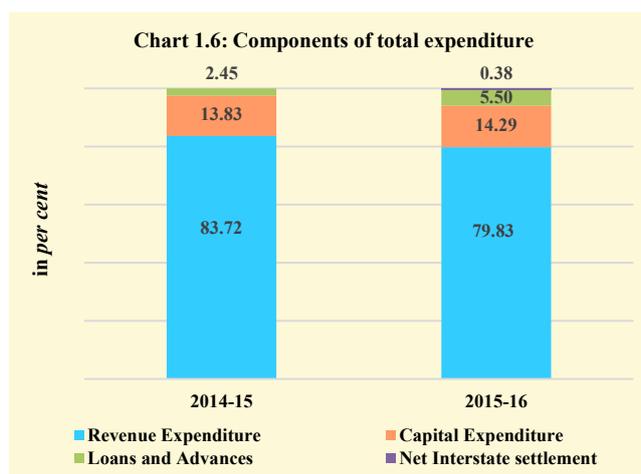
<sup>9</sup> G.O.Ms.No.42, Finance (DCM) Department, dated 31.03.2016

<sup>10</sup> G.O.Ms.No.43, Finance and Planning (WM) Department, dated 22.4.2000

Revenue expenditure (₹ 75,896 crore) constituted 13.01 *per cent* of GSDP and 80 *per cent* of Total expenditure, of which Non Plan Revenue Expenditure (NPRE) was ₹ 54,656 crore (57.48 *per cent*). Revenue Expenditure under General services was ₹ 23,247 crore, under Social services was ₹ 30,466 crore and under Economic services was ₹ 22,043 crore.

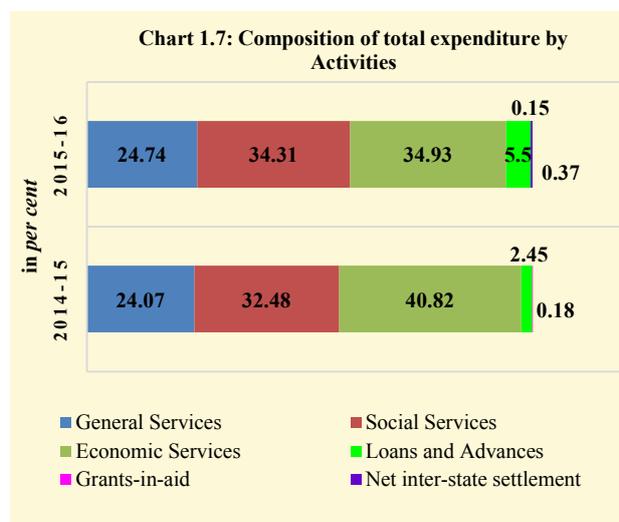
A major part of the revenue expenditure was incurred under Education, Sports, Art and Culture (₹ 10,469 crore), Social Welfare and Nutrition (₹ 8,008 crore), Welfare of SCs, STs, OBCs and Minorities (₹ 4,553 crore), Rural Development (₹ 4,749 crore), Health and Family welfare (₹ 3,655 crore) and Water supply, Sanitation, Housing and Urban Development (₹ 3,182 crore).

In the context of State finances, the quality of expenditure has always been an important issue. Currently, revenue expenditure, which is in the nature of current consumption, accounts for around 80 *per cent* of the State’s aggregate expenditure, leaving only 20 *per cent* for investment in infrastructure and asset creation. Since this impedes the growth prospects of the State, there is a need to curtail those items of revenue expenditure which are unproductive.



Source: Finance Accounts 2015-16

During the year 2015-16, capital expenditure (₹ 13,590 crore) constituted 14 *per cent* of total expenditure. Capital expenditure was incurred mainly under Irrigation and Flood Control (₹ 7,776 crore), Transport (₹ 1,738 crore) and Water Supply, Sanitation, Housing and Urban Development (₹ 1,524 crore). Capital expenditure at 2.33 *per cent* of GSDP was less than the Budget estimates of ₹ 15,982 crore. Loans and advances disbursed (₹ 5,233 crore) during the year constituted 6 *per cent* of the total expenditure.



Source: Finance Accounts 2015-16

During 2015-16, the share of General Services and Social Services in total expenditure amounted to 25 *per cent* and 34 *per cent*, respectively. The share of Economic Services constituted 35 *per cent* of the total expenditure. The shares of revenue and capital expenditure in Social Services were 81 *per cent* and 6 *per cent* respectively, the rest being for loans and advances, while their respective shares in Economic Services were 66 *per cent* and 33 *per cent*.

## 1.9.2 Committed Expenditure

Committed expenditure of Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.11** and **Chart 1.8** present the expenditure on these components during 2015-16.

**Table 1.11: Components of committed expenditure**

Components of committed expenditure	2014-15	2015-16		
	Actuals	Budget Estimates	Actuals	Percentage variation
Salaries* & Wages, of which	12,200	22,722	20,404	-10.20
(i) Non-Plan	11,432	21,910	19,166	-12.52
(ii) Plan**	768	812	1,238	52.46
Interest payments	5,227	7,555	7,558	0.04
Pensions	4,210	8,236	8,217	-0.23
Subsidies	3,587	7,025	5,164	-26.49
<b>Total</b>	<b>25,224</b>	<b>45,538</b>	<b>41,343</b>	<b>-9.21</b>

Source: Voucher Level Computerization (VLC) data of PAG (A&E) Andhra Pradesh & Telangana

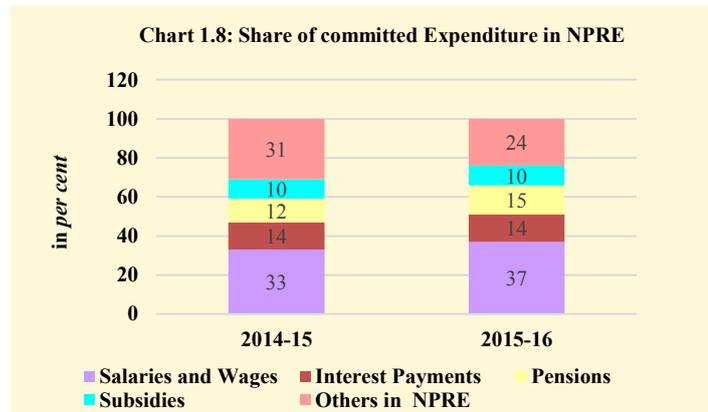
Note: \*It also includes the salaries paid out of grants-in-aid and work charged establishment.

\*\*Plan head also includes the salaries and wages paid under CSS.

Committed expenditure on salaries and wages, pensions, interest payments and subsidies constituted 75.64 per cent of non-plan revenue expenditure (NPRE) during 2015-16.

### 1.9.2.1 Salaries and wages

Expenditure on salaries and wages during the current year was less than the budget estimates by 10.20 per cent. During the current year, salaries constituted 26.88 per cent of revenue expenditure and 37.33 per cent of non-plan revenue expenditure.



Source Finance Accounts 2015-16

### 1.9.2.2 Interest payments

The share of interest payments (₹7,558 crore) in revenue expenditure was 10 per cent. It was, however, higher than the projection made in the Budget estimates (₹7,555 crore) and 14<sup>th</sup> FC assessments (₹7,057 crore). During 2015-16, interest payments as a per cent of total revenue receipts stood at 9.92 per cent.

### 1.9.2.3 Pensions

The expenditure on pension and other retirement benefits to State Government pensioners during the year was ₹8,217 crore, which was 10.79 per cent of revenue receipts. During the year 2015-16, pensionary benefits were lower than the budget estimates (₹8,236 crore) and 14<sup>th</sup> FC assessments (₹8,686 crore). Government had not estimated the yearly pension liabilities on actuarial basis for the ensuing years against the stipulation of the FRBM Act.

### Contributory Pension Scheme

State Government introduced a Contributory Pension Scheme for employees recruited on or after 1 September 2004. As per the guidelines, it is mandatory for every employee to contribute 10 *per cent* of basic pay and dearness allowance every month from salary and an equal contribution is to be made by the Government. The contribution details and corresponding amounts are to be transferred to the National Securities Depository Limited (NSDL) and to the fund managers appointed by the New Pension Scheme (NPS) Trust, respectively. Government of composite state of Andhra Pradesh had entered into agreements with NSDL on 21 November 2008 and NPS Trust on 15 September 2009.

During the year 2015-16, an amount of ₹359.16 crore was contributed by employees and ₹371.23 crore was contributed by the Government, of which Government transferred an amount of ₹769.56 crore to NSDL/Trustee Bank which included un-transferred amounts of previous years to the extent of ₹39.17 crore (₹36.28 crore employee contribution and ₹2.89 crore employer contribution). However, the contributions payable by the employees and the State Government from the inception of the scheme and the accrued interest thereon<sup>11</sup> was not estimated, nor was it possible to estimate the shortfall in the matching contribution of the State Government in 2015-16, or its impact, if any, on the revenue surplus in the absence of complete data. Failure to transfer the amounts along with accrued interest, represent outstanding liabilities of the Government under the scheme.

#### 1.9.2.4 Subsidies

The total expenditure on subsidies during the current year was ₹5,164 crore, of which assistance to Transmission Corporation of Telangana Limited under Agricultural and allied Subsidy was ₹3,926 crore (76 *per cent*) and subsidy on rice was ₹904 crore (17.50 *per cent*). Total subsidy was lower than the projections made in the Budget (₹7,025 crore).

Department-wise subsidies are listed in **Table 1.12**.

**Table 1.12: Department wise Subsidies**

Departments	(₹ in crore)	
	2014-15	2015-16
Civil Supplies	783	924
Power	2,400	3,926
Agricultural and other Allied activities	207	173
Others <sup>12</sup>	197	141
<b>Total subsidy</b>	<b>3,587</b>	<b>5,164</b>
Total Revenue Expenditure	50,673	75,896
Subsidy as a <i>per cent</i> of Revenue Expenditure	7.08	6.80

Source: Finance Accounts 2015-16

During the year, the percentage of subsidies to revenue expenditure was 6.80 *per cent*.

In addition, budgetary assistance was provided in the form of Grants-in-aid for various socio-

<sup>11</sup> Including interest payable in terms of G.O. Ms. No. 142, dated 17 June 2013

<sup>12</sup> Industries and Commerce, Rural Development, Minority Welfare, Information Technology & Communication, Panchayat Raj, Social Welfare, Women, Child and Disabled Welfare and Backward Classes Welfare Departments

economic services which was in the nature of subsidies. Scheme-wise details of these Grants-in-aid provided during 2015-16 are given in **Table 1.13**.

**Table 1.13: Department/Organization-wise subsidies given as Grants-in-aid**

			(₹ in crore)	
Sector	Department	Name of the Scheme	2014-15	2015-16
General Services	Revenue	Assistance to Municipalities/Corporations as Interest Free Loans (Vaddi leni Runalu)	2	66
Social Services	Medical and Health	Assistance to NIMS for treatment of BPL families not covered under Aarogyasri	-	25
Economic Services	Agriculture	Assistance to Cooperative Sugar Factories towards reimbursement of purchase Tax incentives	12	18
		Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	-	15
		Crop Loans for Farmers (Pavala vaddi)	-	24
		Supply of Seeds, Fertilisers and Agricultural Implements	-	233
	Transport	Assistance to T.S.R.T.C. towards reimbursement of concessions extended to various categories of citizens	350	103
	Rural Development	Interest Free Loans to DWCRA Women (Vaddi leni Runalu)	104	197
		Interest free Loans to Farmers (Vaddi leni Runalu) & Crop Insurance	26	162
	Industries	Extension of Pavala Vaddi scheme to all SSI and Food Processing units	42	104
		Power Subsidy for Industries	297	324
			Supply of Milch Animals under CMs Package	-
		Incentives for Industrial Promotion	-	99
Animal Husbandry		Incentives for Milk production	11	46
		Fodder and Feed Development	2	3
Energy		Assistance to Telangana TRANSCO/DISCOMS towards reimbursement under INDIRAMMA Scheme	6	-
<b>Total</b>			<b>1,046</b>	<b>1,423</b>

Source: Finance Accounts 2015-16

### 1.9.3 Financial Assistance to local bodies and other institutions

GoI enacted the 73<sup>rd</sup> and 74<sup>th</sup> Amendments to the Constitution to empower the local self-governing institutions like the Panchayat Raj Institutions (PRIs) and Urban Local Bodies (ULBs) to ensure a more participative governance structure in the country. GoI further entrusted the implementation of key socio-economic developmental programmes to PRIs and ULBs and devolved funds through successive Finance Commissions. The States, in turn, were required to entrust these local bodies with such powers, functions and responsibilities as would help them function as institutions of self-government and implement schemes for economic development and social justice, including those enumerated in the Eleventh and Twelfth Schedules to the Constitution.

Eleventh Schedule to 73<sup>rd</sup> Constitutional Amendment Act, 1992 had listed 29 subjects for devolution to strengthen the PRIs. During 2007-08, State Government had devolved

10 functions<sup>13</sup> to PRIs and, thereafter, no initiative was taken for devolving the remaining functions.

The 74<sup>th</sup> Constitutional Amendment Act, 1992 identified 18 functions for ULBs as incorporated in Twelfth Schedule to the Constitution. Except 'Fire Services' all the functions mentioned in this Schedule were devolved to ULBs in the State.

As stipulated in Article 243(1) of the Constitution, the Governor of the State shall set up the State Finance Commission within the period of one year from 73<sup>rd</sup> amendment of the Indian Constitution(1992) and at the end of every five years thereafter to review economic condition of various local bodies such as Panchayat Raj Institutions and Municipal Bodies of the State, to act as an arbitrator between Central and the State Government with regard to issues that are of financial nature like transfer of funds that are granted by the Central Government. The State Finance Commission has not yet been set up, by the Telangana Government.

### 1.9.3.1 Financial Assistance to Local bodies

The quantum of financial assistance provided by the State Government to local bodies and other institutions by way of grants and loans during the current year is given below:

Financial assistance, including grants and loans, extended to local bodies and other institutions during 2015-16 constituted 38.29 per cent of revenue expenditure. The major schemes/recipients of grants during the year were MGNREGA (₹1,555 crore), Sarva Shiksha Abhiyan (₹681 crore), Aasara pensions to disabled persons (₹750.22 crore), Aasara pensions to old age persons & widows (₹3177.07 crore), Financial Assistance to Beedi workers (₹463.78 crore), Swachh Bharath Mission (₹171 crore), Arogyasri Health Care Trust (₹332.72 crore) etc.

**Table 1.14: Financial assistance to Local Bodies etc.**

Name of the Institution	₹ in crore)	
	2014-15 Actuals	2015-16 Actuals
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	647.54	1,011.81
Municipal Corporations and Municipalities	932.02	932.77
Zilla Parishads and other PR Institutions	7,486.06	6,698.79
Development Agencies	65.44	221.54
Autonomous Bodies	902.25	1,240.34
Co-operative Institutions	60.64	100.37
Other Institutions <sup>14</sup>	10,868.97	18,852.86
<b>Total</b>	<b>20,962.92</b>	<b>29,058.48</b>
Assistance as percentage of Revenue Expenditure	41.37	38.29

Source: Finance Accounts 2015-16

## 1.10 Quality of Expenditure

### 1.10.1 Adequacy of public expenditure

Enhancing human development levels requires the states to step up their expenditure on key social services like education, health etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) can be said to be attached to a particular sector, if the

<sup>13</sup> (i) Agriculture and Agricultural extension (ii) Animal Husbandry, Dairy and Poultry (iii) Fisheries (iv) Rural Development (v) Drinking Water and Sanitation (vi) Primary, Secondary and Adult Education (vii) Health, Sanitation, Primary Health Centers, Dispensaries and Family Welfare (viii) Social Welfare (ix) Backward Classes Welfare (x) Women and Child Development

<sup>14</sup> Other institutions include institutions that received ad-hoc or one time grants during the year

ratios fall way below the respective national average. **Table 1.15** analyses the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure during 2015-16.

**Table 1.15: Fiscal Priority of the State in 2015-16**

Fiscal Priority by the State	(in per cent)					
	AE/ GSDP	DE <sup>#</sup> / AE	SSE/ AE	CE/ AE	Education <sup>15</sup> / AE	Health/ AE
General Category States <sup>16</sup> Average (Ratio) 2014-15	14.81	70.74	37.75	14.37	17.01	5.13
Telangana's Average (Ratio) 2014-15	14.06	75.68	34.42	13.83	11.57	4.25
General Category States Average (Ratio) 2015-16	16.05	70.63	36.29	14.89	15.63	4.45
Telangana's Average (Ratio) 2015-16	16.31	74.64	39.33	14.29	11.15	3.95

AE: Aggregate Expenditure; DE: Development Expenditure; SSE: Social Sector Expenditure; CE: Capital Expenditure.  
<sup>#</sup> Development expenditure includes Development Revenue Expenditure, Development Capital expenditure and Loans and Advances disbursed.

Source: Finance Accounts 2015-16

A comparison of the data related to Telangana with that of the General Category States (GCS) revealed the following:

- Development expenditure as a proportion of aggregate expenditure has been higher in the State compared to the GCS average during the year 2015-16.
- Expenditure on Social Sector as a proportion of aggregate expenditure in Telangana was much higher than the GCS average during 2015-16, however, the share of expenditure on education as a proportion of aggregate expenditure was much lower than the GCS average. The level of expenditure on health was, however, comparable during the year.
- The share of capital expenditure in aggregate expenditure in the State was comparable to the GCS average during the year.

### 1.10.2 Efficiency of expenditure use

In view of the emphasis on public expenditure on socio-economic development works in successive Plans, it is important that the State Government takes appropriate expenditure rationalization measures and focus on provisioning of core public and merit goods<sup>17</sup>. Apart from improving the allocation towards development expenditure<sup>18</sup>, the efficiency of expenditure use is also reflected in the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total

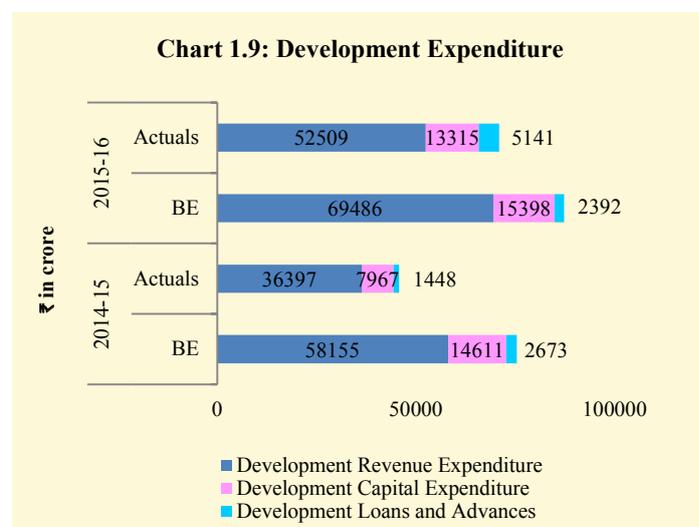
<sup>15</sup> Exclusive of the expenditure relating to education under Welfare Departments

<sup>16</sup> Based on 18 General Category States such as Andhra Pradesh including Telangana, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Delhi except Puducherry

<sup>17</sup> See glossary

<sup>18</sup> See glossary

expenditure (and/or GSDP), the better would be the quality of expenditure. **Chart 1.9** presents the components of development expenditure.



During 2015-16, the total development expenditure constituted 75 per cent of aggregate expenditure. Development revenue expenditure constituted 55 per cent of total aggregate expenditure. During the current year, development capital expenditure stood at 14 per cent, while development loans and advances constituted 5.41 per cent of total aggregate expenditure.

Source: Finance Accounts 2015-16

**Table 1.16** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of selected social and economic services.

**Table 1.16: Efficiency of expenditure on selected social and economic services**

(in per cent)

Social/Economic Infrastructure	2014-15			2015-16		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S&W	O&M		S&W	O&M
<b>Social Services (SS)</b>						
General Education	2.86	79.56	0.10	1.26	84.22	0.04
Health and Family welfare	3.17	51.61	0.30	2.76	55.70	0.16
Water Supply, Sanitation, Housing & Urban Development	8.24	10.27	1.16	32.38	14.23	3.46
<b>Total (SS)</b>	<b>4.01</b>	<b>66.82</b>	<b>0.34</b>	<b>6.60</b>	<b>41.03</b>	<b>0.54</b>
<b>Economic Services (ES)</b>						
Agriculture & Allied Activities	0.60	37.07	1.67	2.27	14.43	2.12
Irrigation & Flood Control	64.81	8.16	5.24	71.12	8.48	5.10
Power & Energy	9.85	0.16	0.02	10.55	0.20	0.02
Transport	49.40	3.15	57.69	56.08	1.24	79.81
<b>Total (ES)</b>	<b>34.08</b>	<b>9.89</b>	<b>7.09</b>	<b>33.62</b>	<b>9.39</b>	<b>6.42</b>
<b>Total (SS + ES)</b>	<b>23.02</b>	<b>39.71</b>	<b>3.94</b>	<b>20.23</b>	<b>27.75</b>	<b>3.01</b>

TE: Total Expenditure; RE: Revenue Expenditure; CE: Capital Expenditure; S&W: Salaries and Wages; O&M: Operation & Maintenance of respective sector.

Source: Finance Accounts 2015-16

The percentage of CE/TE in Social Sector under General Education, Health and Family Welfare, Water supply and Sanitation was 6.60 per cent. It was 4.01 per cent in the previous year. CE/TE in Economic Services was 33.62 per cent of total expenditure under Agriculture & Allied Activities, Irrigation and Flood Control, Power & Energy and Transport. It was

34.08 per cent during 2014-15. Funds earmarked for specific social sector activities were released but the unspent balances as of March 2016 lapsed, thereby negating the objective of allocating these funds as discussed in **Chapter-2**. Operation and Maintenance in these sectors constituted 3.01 per cent of the expenditure.

## 1.11 Financial analysis of Government expenditure and investments

In the post-Fiscal Responsibility Legislation (FRL) framework, the State is expected to keep its fiscal deficit under control. In addition, the State Government is expected to initiate measures to ensure adequate returns on its investments and higher rate of recovery of its loans and advances. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during 2015-16.

### 1.11.1 Financial results of Irrigation Projects

The State Government has not disclosed financial results of any of its Irrigation Projects despite having some of the largest Irrigation Projects.

### 1.11.2 Incomplete Projects

Blocking of funds on incomplete projects impinge negatively on the quality of expenditure. As per information provided by the Government, none of the 23 projects/works which were due for completion were yet to be completed by 31 March 2016. The total amount of funds expended on these projects as on 31 March 2016 was ₹24,224 crore. Further, for the incomplete projects, the original cost of projects was revised upwards by ₹14,051 crore. Reasons for delay were stated to be delays in land acquisition, delays in resettlement and rehabilitation, want of forest clearance, etc., in most of the projects/works. Non-completion of these projects within the stipulated period not only resulted in cost escalation, but also deprived the State of the intended benefits for prolonged periods.

The Department-wise position of incomplete projects, each costing above rupees one crore and due for completion, is detailed in **Table 1.17**. The details of Major and Medium Irrigation projects pending completion are given in *Appendix 1.7*.

**Table 1.17: Department-wise profile of incomplete projects**

(₹ in crore)					
Nature of works	No. of incomplete Projects	Original cost	Revised total cost of projects	Cost over run	Cumulative Expenditure as on 31-03-2016
<b><i>Irrigation and Command Area Development Department</i></b>					
Major and Medium Irrigation	16	16,134	30,185	14,051	23,397
<b><i>Roads and Buildings Department</i></b>					
Roads & Bridges	7	2,962	2,962	---	827
<b>Total</b>	<b>23</b>	<b>19,096</b>	<b>33,147</b>	<b>14,051</b>	<b>24,224</b>

Source: Departmental information

### 1.11.3 Investment and return

As of 31 March 2016, the State Government's investment stood at ₹1,329 crore in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operatives. The status of return on the investment in these corporations/companies is given in **Table 1.18**.

**Table 1.18: Return on investment**

Investment/Return/Cost of Borrowings	2014-15	2015-16
Investment at the end of the year (₹ in crore)	382	1,329
Return (₹ in crore)	134*	69
Return ( <i>per cent</i> )	35.08	5.19
Average rate of interest on Government borrowing ( <i>per cent</i> )	6.97	8.50
Difference between interest rate and return ( <i>per cent</i> )	28.11	3.31

Source: Finance Accounts 2015-16

\* ₹ 132.84 crore was from Singareni Collarries Company Limited, Kothagudem.

During the year 2015-16, Government of Telangana invested ₹947 crore mainly in TS GENCO (₹524 crore), Telangana Road Transport Corporation (₹318 crore) and Telangana Drinking Water Supply Corporation Limited (₹100 crore) which were the major beneficiaries. Government earned a meagre return of ₹69 crore during the year on its investments of ₹1329 crore on various Corporations/Companies. Although, there was an increase of ₹947 crore in investments during the year, the return on investments during the year declined compared to the previous year.

An amount of ₹8,405 crore relating to investments made up to the end of 1 June 2014 was yet to be apportioned between the States of Andhra Pradesh and Telangana.

#### 1.11.4 Loans and advances by State Government

In addition to investments in Co-operative Societies, Corporations and Companies, the State Government has also been providing loans and advances to institutions/Organizations like Universities/Academic Institutions, PRIs, ULBs and Urban Development Authorities etc. **Table 1.19** presents the details of outstanding Loans and advances during the last five years.

**Table 1.19: Average interest received on loans advanced by State Government**

Quantum of Loans/Interest Receipts/Cost of Borrowings	(₹ in crore)			
	2014-15		2015-16	
	BE	Actual	BE	Actual
Opening Balance	---	---	---	---
Amount advanced during the year	2,673	1,483	2,392	5,233
Amount repaid during the year	75	77	875	88
Closing Balance	---	1,406	---	5,145
Of which outstanding balance for which terms and conditions have been settled	NA	NA	NA	NA
Net addition	NA	1,406	NA	5,145
Interest Receipts	NA	60	NA	53
Interest receipts as percentage of outstanding loans and advances	NA	4.27	NA	1.03
Interest payments as percentage to outstanding fiscal liabilities of the State Government.	NA	7.24	NA	7.71
Difference between interest receipts and interest payments ( <i>per cent</i> )	---	2.97	---	6.68

Source: Finance Accounts 2015-16; NA: Not available

It can be seen that the current level of recovery of loans is low with a significant gap between disbursements (₹5,233 crore) and recovery (₹88 crore). Loans advanced during the year increased by 252.86 *per cent* over previous year. Recovery of loans and advances (₹88 crore) was far less than the budget estimates of ₹875 crore and loans advanced were significantly more than the budget estimates of ₹2,393 crore. A major portion of the loans were disbursed under the schemes relating to Water Supply, Sanitation, Housing and Urban Development (₹4,779 crore).

### 1.11.5 Cash balances and investment of Cash balances

During the current year, State Government invested ₹2,504 crore in GoI Treasury Bills. **Table 1.20** depicts the cash balances and investments made by the State Government out of cash balances during the year.

**Table 1.20: Cash balances and their Investment**

	(₹ in crore)	
	Closing balance as on 31-03-2015	Closing balance as on 31-03-2016
<b>(a) General Cash Balance</b>		
Cash in Treasuries	---	---
Deposits with Reserve Bank	109.28	3.53
Deposits with other Banks	---	---
Remittances in transit - Local	2.07	2.07
<b>Total</b>	<b>111.35</b>	<b>5.60</b>
Investments held in Cash Balance investment account	1,870.35	2,503.94
<b>Total (a)</b>	<b>1,981.70</b>	<b>2,509.54</b>
<b>(b) Other Cash Balances and Investments</b>		
Cash with Departmental officers viz., Public Works Department Officers, Forest Department Officers & District Collectors	---	---
Permanent advances for contingent expenditure with Departmental officers	0.27	0.27
Investment of earmarked funds	3,212.60	3,958.25
<b>Total (b)</b>	<b>3,212.87</b>	<b>3,958.52</b>
<b>Grand total (a) + (b)</b>	<b>5,194.57</b>	<b>6,468.06</b>

Source: Finance Accounts 2015-16

State Government maintained the minimum daily cash balance of ₹1.38 crore with RBI on 362 days from 01 April 2015 to 31 March 2016 during the year without taking recourse to ways and means advances or overdrafts.

### 1.11.6 Reserve Funds

Reserve Funds are created for specific and defined purposes and are funded by contributions/grants from the Consolidated Fund of India/State. Out of the gross accumulated balance of ₹4,469 crore lying in these Funds as on 31 March 2016, ₹3,958.24 crore (88.57 *per cent*) was invested in the Treasury bills, leaving the total net accumulated balance ₹510.76 crore as on 31 March 2016 in these funds.

### 1.11.7 Consolidated Sinking Fund

On the recommendations of the Twelfth Finance Commission, the State Government of the composite state of Andhra Pradesh had revised the guidelines pertaining to the existing Sinking Fund (created in 1999-2000 for amortization of open market loans) with effect from January 2010. Under these revised guidelines, the State Government is required to make annual contributions to the Fund at 0.5 *per cent* of the outstanding liabilities at the end of the previous financial year. In terms of guidelines of the Reserve Bank of India (RBI), which administers the Fund, outstanding liabilities are defined as internal debt and Public Account liabilities of the State Government. As on 31 March 2015, the total outstanding liabilities of the Government amounted to ₹79,880 crore. During the year, the State Government contributed ₹384.94 crore to the Fund. The balance under the Fund as of 31 March 2016 was ₹3,497.07 crore.

### 1.11.8 State Disaster Response Fund (SDRF)

As per recommendation of the 13<sup>th</sup> Finance Commission, the SDRF was constituted with effect from 2010-11. 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. Accordingly, the Centre contributed ₹205.50 crore and State Government has contributed ₹68.50 crore to the fund during 2015-16. In addition, an amount of ₹468.20 crore was also released by GoI towards NDRF. The balance in the fund as on 31 March 2016 was ₹219.79 crore after incurring expenditure of ₹522.41 crore during the year.

### 1.11.9 Cheques and Bills

Credit balance under the Major Head 8670 Cheques and Bills indicates cheques issued which remain uncashed. During the year, cheques worth ₹25,084.52 crore were issued, against which cheques worth ₹24,344.80 crore were encashed, leaving a closing balance of ₹875.84 crore (Credit) as on 31 March 2016.

## 1.12 Assets and Liabilities

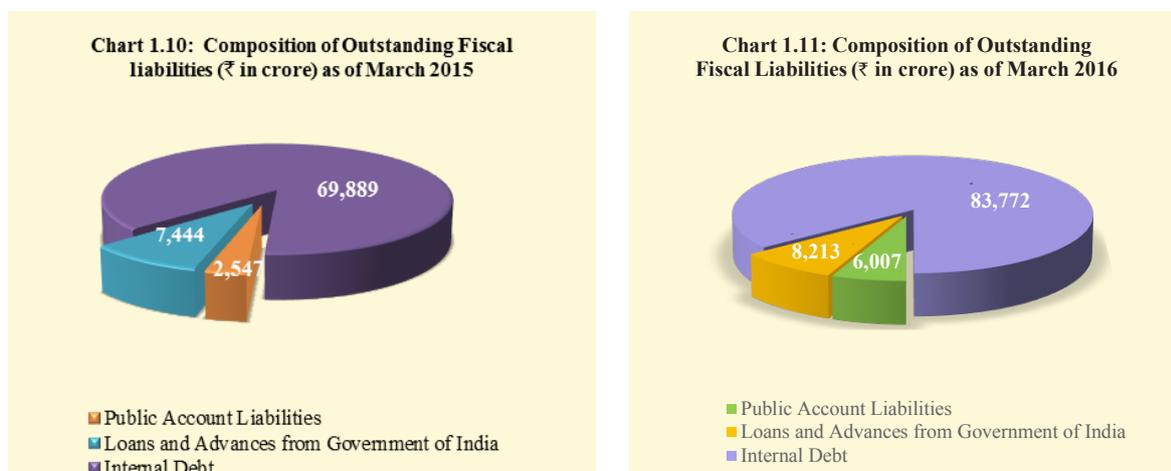
### 1.12.1 Composition of assets and liabilities

Government accounts reflect the financial liabilities of the Government and the assets created out of the expenditure incurred. *Appendix 1.8* gives an abstract of such assets and liabilities as on 31 March 2016. While liabilities consist mainly of internal borrowings, loans and advances from GoI and balances in the Public Account, assets comprise mainly capital outlay, loans and advances given by the State Government and cash balances.

The total liabilities of the State, as defined under the FRBM Act of the State, represent the liabilities under the Consolidated Fund and the Public Account of the State. These also include borrowings by the public sector undertakings and the special purpose vehicles and other equivalent instruments including guarantees where the principal and/or interest are to be serviced out of the State budget.

### 1.12.2 Fiscal liabilities

The outstanding fiscal liabilities of the State are presented in *Appendix 1.8*. The composition of fiscal liabilities during the current year is presented in **Chart 1.11**.



Source: Finance Accounts 2015-16

The total fiscal liability of the State as defined in the FRBM Act at the end of 2015-16 was ₹97,992 crore, which was 1.29 times its revenue receipts and 16.80 per cent of its GSDP. Total outstanding liabilities including Guarantees amounted to ₹1,24,611 crore (₹97,992 crore + ₹26,619 crore), which constituted 21.37 per cent of GSDP. This was within the ceiling of 25 per cent prescribed by the MEFS for the year 2015-16. However, the estimated target as per MEFS was higher than the normative assessment prescribed in 14<sup>th</sup> FC Report (21.55 per cent).

### 1.12.3 Status of Guarantees – Contingent Liabilities

Guarantees become liabilities of the State in case of default by the borrower for whom the guarantee has been extended by the State Government. The State Government, in its FRBM Act, had committed to limit the amount of annual incremental risk-weighted guarantees to 90 per cent of total revenue receipts in the preceding year and constituted Guarantee Redemption Fund in 2002-03 for discharging the guarantees invoked. During 2015-16, an amount of ₹83.94 crore<sup>19</sup> was contributed to the Fund and the entire balance (₹500.20 crore) as on March 2016 was invested in Government securities.

The maximum amount for which guarantees were given by the State and outstanding guarantees for 2015-16 are given in **Table 1.21**.

**Table 1.21: Guarantees given by the Government of Telangana**

Guarantees	(₹ in crore)	
	2014-15	2015-16
Maximum amount guaranteed	21,240	28,094
Outstanding amount of guarantees	18,265	26,619
Percentage of maximum amount guaranteed to total revenue receipts	41.61	36.90

Source: Finance Accounts 2015-16

<sup>19</sup> Half yearly interest received and reinvested

The maximum amount guaranteed during the year was ₹28,094 crore. The outstanding guarantees at the end of 2015-16 were mainly in respect of Power (₹13,588 crore), Municipalities/Local Bodies/Universities (₹3,025 crore), Telangana State Road Transport Corporation (₹488 crore), State Financial Corporation (₹478 crore) and Cooperatives (₹433 crore).

The outstanding guarantees (₹26,619 crore) during 2015-16 amounted to 34.96 per cent of Revenue Receipts (₹76,134 crore) and 4.56 per cent of the GSDP (₹5,83,117 crore).

#### 1.12.4 Off-Budget Borrowings

The borrowings of a State are governed by Article 293 of the Constitution of India. In addition to the liabilities shown in *Appendix 1.9*, the State Government guarantees loans availed by Government Companies/Corporations. These Companies/Corporations borrow funds from the market/financial institutions for implementation of various state plan schemes projected outside the State budget. Although, the State Government projects that funds for these programmes would be met out of the budget of the Company or Corporation, in reality, the borrowings of many of these concerns ultimately turn out to be the liabilities of the State Government and hence, constitute off-budget borrowings.

During the year 2015-16, three instances of crediting off-budget borrowings to Revenue Receipts under Consolidated Fund noticed are detailed below:

i) For implementation of the Two Bed Room Housing Programme in rural and urban areas, Government accorded permission<sup>20</sup> to Telangana State Housing Corporation Limited (TSHCL) for raising a loan amounting to ₹3,344.76 crore from M/s Housing and Urban Development Corporation (HUDCO) with the Government standing guarantee with budgetary provision for repayment of loan with interest during the entire repayment period. Accordingly, an amount of ₹1,600 crore was released by HUDCO on 22 March 2016 and HUDCO transferred a net amount of ₹1,598.80 crore to Current Account of TSHCL. However, on 24 March 2016, Government instructed<sup>21</sup> TSHCL to remit an amount of ₹1,598.80 crore to MH 0216 Revenue Receipts (Consolidated Fund). Accordingly, Corporation has remitted the said amount to Government Account<sup>22</sup> on 28 March 2016. On the same day, Government released an amount of ₹1,598.80 crore as additional funds under loan head MH 6216-Plan for meeting the expenditure on the schemes of Weaker Section Housing Programme. It was seen that the Government had paid ₹37.98 crore towards interest on the HUDCO loans on 7 September 2016.

ii) Government accorded sanction<sup>23</sup> for an expenditure of ₹1,900 crore to Hyderabad Metropolitan Water Supply and Sewerage Board (HMWS&SB), of which an amount of ₹1,700 crore was taken as loan from HUDCO under Government guarantee and the balance amount of ₹200 crore was to be met from the State funds for “Water Supply Distribution Network Project for the peripheral Circles of GHMC”. Accordingly, out of the ₹1,700 crore loan HUDCO transferred the first instalment of ₹700 crore to the account of

<sup>20</sup> GO.Ms.No.11, dated 20 November 2015 and Go.Ms.No.3, dated 7 January 2016 of Housing (RH&C.A1) Department

<sup>21</sup> Memo No.3588-C/72/A2/BG/2016, dated 24 March 2016

<sup>22</sup> Challan No.214088 to MH 0216 ‘Revenue receipts’

<sup>23</sup> G.O.Ms. No 138, dated 21 October 2015 Municipal Administration & Urban Development (B) Department

HMWS&SB on 29 March 2016. However, as per the instructions of the Government, HMWS&SB remitted the entire amount on 31 March 2016 to Government Account under MH 0215 Revenue Receipts.

iii) Government accorded permission to Telangana Drinking Water Supply Corporation Limited (TDWSCL) for borrowing ₹2,500 crore from HUDCO under guarantee of the Government for implementation of the Telangana Drinking Water Supply project. HUDCO released the first installment amounting to ₹998.82 crore to the (TDWSCL)<sup>24</sup> on 31 March 2015 and the same was transferred to the PD Account opened by it during March 2015, of which the unutilised balance of ₹970.30 crore as of 31 March 2016 was lapsed to MH 0075 Revenue Receipts (Consolidated Fund). An amount of ₹1,000 crore was also released to the Corporation's Current Account as second installment on 22 February 2016. Out of ₹1,000 crore released to Corporation as second installment, it was seen that an amount of ₹450 crore was remitted to Government Account under MH 0215 Revenue Receipts on 21 March 2016. An amount of ₹71.73 crore was released towards repayment of interest to the above HUDCO loan during the year 2015-16.

*It was observed that the loans raised by the Corporations from HUDCO were thus credited to Revenue Receipts to the extent of ₹3,719 crore (₹1,598.80 crore+ ₹700 crore+ ₹450 crore and ₹970.30 crore) through off-budget borrowing, which resulted in understatement of liabilities of the Government and overstatement of Revenue Receipts (₹3,719 crore), and consequent understatement of the fiscal deficit to that extent.*

### 1.13 Debt sustainability

Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability<sup>25</sup> of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization<sup>26</sup>, sufficiency of non-debt receipts<sup>27</sup>, net availability of borrowed funds<sup>28</sup>, burden of interest payments (measured by ratio of interest payments to revenue receipts) and maturity profile of State Government securities. **Table 1.22** analyses the debt sustainability of the State according to these indicators during the year 2015-16.

**Table 1.22: Debt sustainability: Indicators**

Indicators of Debt Sustainability	2014-15	2015-16
Debt/GSDP ( <i>per cent</i> )	18.55	16.80
Average interest rate of outstanding debt (=interest paid/(Opening Balance of Public Debt + Closing Balance of Public debt)/2) ( <i>per cent</i> )	7.11	8.85
Interest Payments/Revenue Receipt ( <i>per cent</i> )	10.24	9.93
Debt Repayment/Debt Receipts ( <i>per cent</i> )	25.49	20.84
Net Debt Available to the State	2,894	7,957

Source: Finance Accounts 2015-16

<sup>24</sup> Account No.62411599743, State Bank of Hyderabad, Treasury Branch

<sup>25</sup> See glossary

<sup>26</sup> See glossary

<sup>27</sup> See glossary

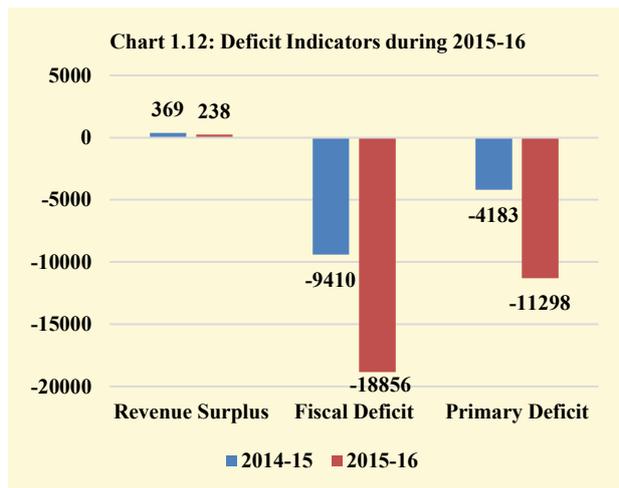
<sup>28</sup> See glossary

Debt/GSDP stood at 16.80 *per cent* during the year 2015-16. The net availability of borrowed funds was positive, indicating the availability of borrowed funds for purposes other than debt repayment. Interest payments as a percentage of revenue receipts were 9.93 *per cent*, against the normative rate of 8.08 *per cent* prescribed by 14<sup>th</sup> FC. During the year, the net debt available for development of capital expenditure was only 43 *per cent*.

## 1.14 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. Deficit in Government accounts represents the gap between its receipts and expenditure and the nature of deficit is an indicator of the prudence of the Government in fiscal management. Further, the ways in which the deficit is financed and the resources raised are applied, are important pointers to fiscal health. This section presents the nature, magnitude and the manner of financing these deficits and also assesses the actual levels of revenue and fiscal deficits vis-à-vis targets set under FRBM Act/Rules for the financial year 2015-16.

### Trends in Deficits



During the year 2015-16, there was Revenue surplus of ₹238 crore and Fiscal deficit (₹18,856 crore) constituted 3.23 *per cent* of GSDP. Primary deficit stood at ₹11,298 crore. Revenue surplus was on account of misclassification of grants-in-aid (₹151 crore) under Capital Heads of account and incorrect crediting of ₹3,719 crore to revenue receipts from the loans obtained by the Corporations from HUDCO (off-budget borrowings), as a result of which Fiscal deficit was understated by ₹3,719 crore.

Source: Finance Accounts 2015-16

### 1.14.1 Components of Fiscal deficit and its financing pattern

The composition and financing of fiscal deficit are shown in **Table 1.23**.

**Table 1.23: Components of fiscal deficit and their financing pattern**

Sl. No.	Particulars	2014-15			2015-16		
		Receipts	Disbursements	Net	Receipts	Disbursements	Net
A	Decomposition of Fiscal Deficit(-)/Surplus(+) (1 to 4)	51,119	60,529	-9,410	76,222	95,078	(-)18,856
1	Revenue Surplus	51,042	50,673	369	76,134	75,896	238
2	Capital Outlay	-	8,373	-8,373	-	13,590	(-)13,590
3	Net Loans and Advances	77	1,483	-1,406	88	5,233	(-)5,145
4	Interstate Settlements	---	---	---	---	359	(-)359

Sl. No.	Particulars	2014-15			2015-16		
		Receipts	Disbursements	Net	Receipts	Disbursements	Net
<b>B</b>	<b>Financing Pattern of Fiscal Deficit</b>						
<b>1</b>	<b>Net Borrowings from Consolidated Fund, of which</b>	<b>9,580</b>	<b>1,727</b>	<b>7,853</b>	<b>17,498</b>	<b>2,845</b>	<b>14,653</b>
	Market Borrowings*	9,494	1,727	7,767	16,577	2,694	13,883
	Loans from GoI	86	-	86	921	151	770
<b>2</b>	<b>Net Public Account, of which</b>	<b>3,16,110</b>	<b>3,14,386</b>	<b>1,724</b>	<b>1,53,529</b>	<b>1,49,431</b>	<b>4,098</b>
	Small Savings, PF etc.	1,319	1,051	268	2,101	1,239	862
	Reserve Funds	1,120	1,028	92	1,856	1,476	380
	Deposits and Advances	23,433	21,274	2,159	39,841**	37,619	2,222
	Suspense and Misc.	2,81,210	2,81,011	199	93,533	92,761	772
	Remittances	9,028	10,022	-994	16,198	16,336	-138
	Contingency Fund	50	-	<b>50</b>	-	-	-
<b>3</b>	<b>Accretion to Cash Balance</b>	<b>1,607</b>	<b>1,724</b>	<b>-117</b>	<b>4,204</b>	<b>4,098</b>	<b>105**</b>

Source: Finance Accounts.2015-16; \* Includes borrowings from other institutions, \*\* Figures taken are due to rounding.

It can be seen that capital outlay mostly accounted for the Fiscal deficit (72.07 per cent) while market borrowings financed 73.62 per cent of the Fiscal deficit.

The maturity profile of State debt is shown in **Table 1.24**.

**Table 1.24: Maturity Profile of State Debt**

(₹ in crore)		
Maturity profile	Amount	Percentage
0 – 1 years	2,957	3.42
1 – 3 years	10,824	12.53
3 – 5 years	14,674	16.98
5 – 7 years	17,733	20.53
7 years and above	40,211	46.54
<b>Total</b>	<b>86,399</b>	<b>100.00</b>

Source: Finance Accounts 2015-16

To discharge its expenditure obligations, the Government had to borrow further, since fiscal surplus was not available during the year. The State Government raised ₹16,577 crore from market borrowings and ₹921 crore from Central loans during the year. The maturity profile of outstanding stock of public debt as on 31 March 2016 shows that 46.54 per cent of the total outstanding debt was in the maturity bucket of seven years and above.

It further indicated that the liability of the State to repay the debt would be ₹14,674 crore during 2019-21 and ₹17,773 crore during 2021-23, which would put a strain on the Government budgets during that period. The State may have to borrow further to repay these loans. A well thought out debt repayment strategy would have to be worked out by the Government to obviate additional borrowings, in these critical years.

Interest payments on market loans constituted 6.78 per cent of revenue receipts.

**Table 1.25: Interest payment as a percentage of revenue receipts**

Particulars	2014-15	2015-16
Interest payment on market loans (₹ in crore)	3,631	5,165
Percentage of revenue receipts	7.11	6.78

Source: Finance Accounts 2015-16

### 1.14.2 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit<sup>29</sup> and capital outlay (including loans and advances) indicate the quality of deficit in the State finances. The bifurcation of primary deficit (**Table 1.26**) into primary revenue deficit and capital outlay indicates the extent to which the deficit has been applied to augment asset creation in the State.

**Table 1.26: Primary deficit/surplus – bifurcation of factors**

Year	Primary revenue surplus	Capital Outlay	Loans and Advances & Interstate settlement	(₹ in crore)	
				Primary deficit(-)/ surplus(+)	Primary revenue surplus/ Capital Outlay ( <i>per cent</i> )
2014-15	5,673	8,373	1,483	(-) 4,183	67.75
2015-16	7,884	13,590	5,233+359	(-)11,298	58.01

Source: Finance Accounts 2015-16

During the year 2015-16, the State generated some primary revenue surplus which was applied towards meeting the requirement of capital outlay. As can be seen from **Table 1.26**, the primary revenue surplus met 58 *per cent* of the capital outlay. In other words, the non-debt receipts of the State (₹ 76,222 crore) met a significant part of the capital expenditure.

## 1.15 Apportionment of balances between Andhra Pradesh and Telangana

As per the Andhra Pradesh State Reorganisation Act, 2014, the balances under Cumulative Capital expenditure, Loans and Advances, Public Debt and the balances under Public Accounts are to be apportioned between Andhra Pradesh and Telangana States. The balances apportioned and unapportioned as on 31 March 2016 are given in **Appendix 1.9**.

### 1.16 Conclusion

*The State registered revenue surplus of ₹238 crore during 2015-16. It is overstated due to misclassification of grants-in-aid (₹151 crore) under capital heads and crediting off-budget borrowings (₹3,719 crore) to revenue receipts. Fiscal deficit which stood at 3.23 per cent of GSDP is understated by (₹3,719 crore) due to crediting off budget borrowing to revenue receipts. It would have the effect of increasing the ratio of fiscal deficit to GSDP from 3.23 per cent to 3.87 per cent.*

*Total outstanding liabilities constituted 21.37 per cent of GSDP which was within the ceiling of 21.55 per cent prescribed by the 14<sup>th</sup> Finance Commission.*

<sup>29</sup> See glossary

52.5 per cent of the revenue receipts of ₹76,134 crore during 2015-16 came from the State's own tax revenue and 19 per cent came from the revenue receipts from non-tax revenue collections, the rest coming from State's share of Central taxes 16.2 per cent as well as central grants (12.3 per cent). During the year, Government issued orders to remit the unspent balances in PD accounts to revenue receipts in violation of accounting provisions inflating revenue receipts to the extent of ₹4,218 crore.

Non-plan revenue expenditure of ₹54,656 crore constituted 72 per cent of the total revenue expenditure (₹75,896 crore) during the year. Capital expenditure (₹13,590 crore) stood at 14 per cent of the total expenditure constituting 2.33 per cent of GSDP. Capital projects in irrigation and road sectors were not completed in time resulting in non-achievement of the envisaged benefits. During the year, revenue expenditure accounted for 80 per cent of the State's aggregate expenditure, which was in the nature of current consumption, leaving only 20 per cent for investment in infrastructure and asset creation. Although the State Government accorded adequate fiscal priority to development expenditure during 2015-16, it could not ensure that the allocated funds released were utilised optimally for the intended purposes.

Despite an increase of ₹947 crore in investments during the year, the return on investments declined compared to the previous year. The current level of recovery of loans was low with a significant gap between disbursements (₹5,233 crore) and recovery (₹88 crore).

Maturity profile of debt indicates that State has to repay more than 53 per cent of its total debt within the next seven years.

### 2.1 Introduction

Effective financial management ensures that policy decisions are implemented at the administrative level without wastage or diversion of funds and with reasonable assurance on the successful implementation of the policy at the ground level. This Chapter reviews the allocative priorities of the State Government and comments on the transparency and effectiveness of its budgetary processes.

### 2.2 Budget Preparation Process

As per Section 100 of AP State Reorganisation Act, 2014, any law which was in force in the Composite state of Andhra Pradesh will continue to be in force in the territories which comprised it unless otherwise provided by a competent authority. The Andhra Pradesh Financial Code (APFC) and the Andhra Pradesh Budget Manual (APBM) provided for the procedure to be followed with regard to all matters concerning finance and budget. Budget preparation in the State is guided by a budget calendar.

A bottom-up approach was prescribed for budget preparation in the APBM with the requirement of funds projected from the unit level and consolidated at the district and finally the Department level. There was, however, no evidence of compliance with this requirement by the Departments audited during the year. Audit of several schemes/transactions of Government Departments showed that financial inputs were not correlated with the corresponding physical outputs or outcomes either at the unit/district or Department level and inadequate rigour was exercised in analyzing and assessing the actual requirement of funds.

### 2.3 Financial accountability and budget management

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act. These Accounts depict the original budget provision, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorized by the Appropriation Act. Appropriation Accounts are complementary to Finance Accounts.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is within the authorization given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the laws, relevant rules, regulations and instructions.

### 2.4 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2015-16 against 40 grants/appropriations is given in **Table 2.1**.

**Table 2.1: Position of actual expenditure vis-à-vis original/supplementary Grants for the year 2015-16**

		(₹ in crore)								
Nature of expenditure		Original	Supplementary	Total	Actual Expenditure	Saving(-)/ Excess(+)	Amount surrendered	Amount surrendered on 31 March 2016	Percentage of savings surrendered by 31 March 2016 (col.7 by col.6)	
		1	2	3	4	5	6	7	8	9
Voted	I Revenue	86,579.03	8,225.23	94,804.26	74,079.65	(-)20,724.61	26,204.41	10,047.44	126.44	
	II Capital	16,102.94	10,904.59	27,007.53	13,746.60	(-)13,260.93	9,980.71	5,544.45	75.26	
	III Loans and Advances	2,392.10	3,379.10	5,771.20	5,591.51	(-)179.69	116.32	36.17	64.73	
<b>Total Voted</b>		<b>1,05,074.07</b>	<b>22,508.92</b>	<b>1,27,582.99</b>	<b>93,417.76</b>	<b>(-)34,165.23</b>	<b>36,301.44</b>	<b>15,628.06</b>	<b>106.25</b>	
Charged	IV Revenue	7,772.06	35.49	7,807.55	7,762.57	(-)44.98	54.54	47.55	121.25	
	V Capital	59.57	42.39	101.96	72.85	(-)29.11	43.61	36.99	149.81	
	VI Public Debt- Repayment	3,714.37	153.07	3,867.44	2,845.24	(-)1,022.20	556.64	556.64	54.46	
<b>Total Charged</b>		<b>11,546.00</b>	<b>230.95</b>	<b>11,776.95</b>	<b>10,680.66</b>	<b>(-)1,096.29</b>	<b>654.79</b>	<b>641.18</b>	<b>59.73</b>	
<b>Grand Total</b>		<b>1,16,620.07</b>	<b>22,739.87</b>	<b>1,39,359.94</b>	<b>1,04,098.42</b>	<b>(-)35,261.52</b>	<b>36,956.23</b>	<b>16,269.24</b>	<b>104.81</b>	

Source: Appropriation Accounts 2015-16

**Note:** i) During the year, supporting documents/vouchers were not made available to AG (A&E) for an expenditure of ₹3,531.54 crore. Authenticity of this expenditure cannot, therefore, be vouched. ii) In the absence of Detailed Contingent bills in support of ₹97.07 crore during the year 2015-16 drawn on Abstract Contingent bills during 2015-16, the genuineness of the expenditure cannot be vouched to that extent, which is discussed at chapter-3.

The overall savings of ₹35,262 crore (25 per cent of budget provision) was the result of saving of ₹41,143 crore in 36 grants and 15 appropriations under revenue section, 30 grants and three appropriations under capital section and seven grants and one appropriation (Public Debt) under loans section, offset by an excess of ₹5,881 crore in four grants<sup>1</sup> and one appropriation<sup>2</sup> under revenue section and two grants each under capital<sup>3</sup> and loan<sup>4</sup> sections.

In view of the actual expenditure (₹52,768.25 crore) falling short of even the original budget provision (₹73,798.25 crore), the supplementary grant (₹12,317 crore) in 27 Grants<sup>5</sup> proved unnecessary. This points to unrealistic budgetary assumptions.

<sup>1</sup> II-Governor and Council of Ministers (₹1.70 crore), V-Revenue, Registration and Relief (₹96.14 crore), IX-Fiscal administration, Planning, Surveys and Statistics (₹4,934.94 crore) and X-Home Administration (₹328.30 crore)

<sup>2</sup> IV-General Administration and Elections (₹9.37 crore)

<sup>3</sup> XX-Labour and Employment (₹2.72 crore) and XXIX-Forest, Science, Technology and Environment (₹0.06 crore)

<sup>4</sup> IX-Fiscal Administration, Planning, Surveys and Statistics (₹322.50 crore) and XVIII-Housing (₹185.06 crore)

<sup>5</sup> III, VI, VII, VIII, XI, XII, XIII, XIV, XV, XVI, XXI, XXII, XXIII, XXIV, XXV, XXVII, XXVIII, XXIX, XXX, XXXI, XXXII, XXXIV, XXXV, XXXVI, XXXVII, XXXVIII & XXXIX (Source: Appropriation Accounts)

During the year, an amount of ₹ 36,956 crore (105 per cent) was surrendered in excess of actual saving of ₹ 35,262 crore, of which ₹ 16,269 crore (44 per cent) was surrendered on the last day of the financial year i.e., 31 March 2016.

### 2.4.1 Excess expenditure

As per Article 204(3) of the Constitution of India no money shall be withdrawn from Consolidated Fund of the State except under appropriations made by law passed in accordance with the provisions of this article.

Excess expenditure over budget provision was ₹ 5,881 crore during 2015-16. The excess expenditure occurred in eight grants and one appropriation during the year was shown below in **Table 2.2** and requires regularization under Article 205 of the Constitution.

**Table 2.2: Excess expenditure**

(₹ in crore)					
Grant No.	Name of the Grant/Appropriation	Total Grant	Expenditure	Excess (+)	Reasons for excess expenditure
II	Governor and Council of Ministers (RV)	9.13	10.83	1.70	Specific reasons for excess expenditure were not intimated by Government
IV	General Administration and Elections (RC)	31.90	41.27	9.37	
V	Revenue, Registration and Relief (RV)	2,213.49	2,309.63	96.14	
IX	Fiscal Administration, Planning, Surveys and Statistics (RV)	9,936.49	14,871.43	4,934.94	
IX	Fiscal Administration, Planning, Surveys and Statistics (LV)	128.71	451.21	322.50	
X	Home Administration (RV)	4,085.41	4,413.72	328.31	
XVIII	Housing (LV)	1,747.18	1,932.24	185.06	
XX	Labour and Employment (CV)	3.89	6.61	2.72	
XXIX	Forest, Science, Technology and Environment (CV)	0.00	0.07	0.07	
	<b>Total</b>	<b>18,156.20</b>	<b>24,037.01</b>	<b>5,880.81</b>	

Source: Appropriation Accounts 2015-16, RV: Revenue Voted; RC: Revenue Charged; CV: Capital Voted; LV: Loans Voted

### 2.4.2 Expenditure incurred without Budget Provision/Re-appropriation

As per paragraphs 17.3.1 and 17.6.1(c) of APBM, expenditure should not ordinarily be incurred on a scheme/service without provision of funds. However, during the year 2015-16 expenditure of ₹ 2,161 crore was incurred in nine cases (₹ 10 crore and above in each case) without budget provision, as detailed in **Table 2.3**. In all these cases, budget provision (either original or supplementary) was not made and expenditure was met from the funds obtained by way of re-appropriation in four cases and in five instances (Sl. Nos. 2 to 4, 7 and 9) expenditure was incurred even without resorting to re-appropriation, which undermined the sanctity of budgeting process and legislative control.

**Table 2.3: Expenditure without provision**

(₹ in crore)				
Sl. No.	Grant No. and Name of the Grant	Head of Account	Re-appropriation	Expenditure
1	IX Fiscal Administration, Planning, Surveys and Statistics	2049-01-123-(04) - Interest on special securities issued to NSSF of the Central Government by the State Government	1,046.40	1,046.40
2	IX Fiscal Administration, Planning, Surveys and Statistics	2071-01-800-(05) -Medical Reimbursement of all types of Pensioners	0.00	136.38
3	IX Fiscal Administration, Planning, Surveys and Statistics	2071-01-800-(34) –Pension allocable to successor State of Telangana	0.00	39.80
4	IX Fiscal Administration, Planning, Surveys and Statistics	7810-00-125-(00)-Andhra Pradesh and Telangana	0.00	358.48
5	XI Roads, Buildings and Ports	3054-04-797-(04) -Subvention from Central Road Fund	10.00	107.14
6	XVII Municipal Administration and Urban Development	2217-80-191-(20)- Vemulavada Temple Area Development Authority	50.00	50.00
7	XXIV Minority Welfare	2225-80-800-(41)- Dawat-e-Iftar	0.00	14.00
8	XXXI Panchayat Raj	2515-00-789-(05)- Assistance to Panchayat Raj Institutions for Construction of Rural Roads	58.72	58.72
9	XXXI Panchayat Raj	4515-00-101-(06)- Mahatma Gandhi National Employment Guarantee Act	0.00	350.00
<b>Total</b>			<b>1,165.12</b>	<b>2,160.92</b>

Source: Appropriation Accounts 2015-16

### 2.4.3 Excess expenditure over provision relating to previous year not regularized

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularized by the State Legislature. Although no time limit had been prescribed under the Article, regularization of excess expenditure was to be done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure over the allocation amounting to ₹304 crore pertaining to the year 2014-15 was yet to be regularized as of July 2016, as detailed in **Appendix 2.1**, due to non-furnishing of Explanatory Notes by the concerned Administrative departments/Finance department.

### 2.4.4 Appropriation vis-à-vis allocative priorities

There were deviations from budget allocation with regard to expenditure of the State during 2015-16, raising questions about the soundness of the budget monitoring process and reliability of management information system.

During the financial year 2015-16, appropriation audit showed that in 24 grants, saving (₹38,244 crore) exceeded ₹100 crore and above and also by more than 20 per cent of total provision in each case, constituting 93 per cent of total saving (₹41,142 crore) (**Appendix 2.2**). Among these, saving of ₹15,385 crore (37 per cent of total saving) occurred in four cases exceeding ₹2,000 crore and more than 20 per cent of the total grant in each case, as indicated in **Table 2.4**. This raises doubts about the validity of assumptions made in the budgetary process.

**Table 2.4: Grants with substantial savings**

(₹ in crore)

Sl. No.	Grant No.	Name of the grant	Total Grant	Expenditure	Savings (-)	Reasons	
<b>Revenue Voted</b>							
1	XXI	Social Welfare	6,215	2,664	3,551	Specific reasons for savings were not intimated by Government	
2	XXXI	Panchayat Raj	9,195	4,227	4,968		
<b>Capital Voted</b>							
3	XI	Roads, Buildings and Ports	5,126	2,004	3,122		
4	XXXIII	Major and Medium Irrigation	10,159	6,416	3,743		
<b>Total</b>			<b>30,695</b>	<b>15,311</b>	<b>15,384</b>		

Source: Appropriation Accounts 2015-16

### 2.4.5 Unnecessary/Inadequate/Excessive Supplementary Grants

Supplementary grant aggregating ₹ 8,946 crore obtained in 38 cases (rupees one crore or more in each case) during the year proved unnecessary as the actual expenditure (₹ 56,076 crore) was less than the original provision (₹ 77,765 crore) as detailed in *Appendix 2.3*. This indicates that the CCOs could not realistically assess/estimate the actual requirement of funds for the remaining period of the financial year due to poor monitoring of expenditure through the monthly expenditure control mechanism.

Similarly, supplementary grant aggregating ₹ 10,982 crore proved excessive by ₹ 6,920 crore over the total required provision, as detailed in *Appendix 2.3(a)*. In four cases, supplementary grant of ₹ 2,780 crore proved insufficient by more than one crore rupees each, leaving an aggregated uncovered excess expenditure of ₹ 5,547 crore as detailed in *Appendix 2.3(b)*.

Significant cases on un-necessary, excessive and insufficient supplementary grants of more than ₹ 500 crore in various Departments are detailed in **Table 2.5** given below:

**Table 2.5: Unnecessary, Excessive and Insufficient Supplementary Grants**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant	Original Provision	Actual Expenditure	Saving (-)/ Excess(+)	Supplementary
<b>Unnecessary Supplementary Grants</b>						
1	XII	School Education (RV)	9,044.17	8,960.47	(-)83.70	944.41
2	XVII	Municipal Administration and Urban Development Department (RV)	2,302.51	1,950.64	(-)351.87	934.81
3	XXXI	Panchayat Raj (RV)	7,532.22	4,227.26	(-)3,304.96	1,663.37
4	XXXII	Rural Development (RV)	6,256.69	5,610.97	(-)645.72	782.08
5	XXXV	Energy (CV)	1,001.16	523.59	(-)477.57	1,000.00
<b>Excessive Supplementary Grants</b>						
6	XVII	Municipal Administration and Urban Development Department (LV)	1,721.33	2,842.96	1,121.63	1,564.70

Sl. No.	Grant No.	Name of the Grant	Original Provision	Actual Expenditure	Saving (-)/ Excess(+)	Supplementary
7	XXXI	Panchayat Raj (CV)	45.27	1,823.08	1,777.81	2,899.02
8	XXXIII	Major and Medium Irrigation (CV)	6,168.27	6,416.13	247.87	3,991.36
9	XXXIV	Minor Irrigation (CV)	776.40	1,291.51	515.11	1,561.77
<b>Insufficient Supplementary Grants</b>						
10	V	Revenue, Registration and Relief (RV)	1,657.97	2,309.63	651.67	555.53
11	XVIII	Housing (LV)	40.01	1,932.24	1,892.23	1,707.17

Source: Appropriation Accounts 2015-16; RV: Revenue Voted; CV: Capital Voted; LV: Loan Voted

#### 2.4.6 Unnecessary re-appropriation of funds

As per paragraph 17.5 of APBM, re-appropriation is permissible only when a saving under one head of account and an excess under another are known or anticipated with reasonable certainty or when it is deliberately proposed to curtail expenditure under one head with a view to incurring more urgent additional expenditure under another.

During the year 2015-16, excessive/unnecessary/inadequate re-appropriation of funds occurred in 56 cases which resulted in either non-utilisation of funds or excess over provision by ₹ 10 crore and above in each case, as detailed in *Appendix 2.4*.

#### 2.4.7 Unexplained re-appropriations

Paragraph 17.17.2 of APBM stipulates that reasons for additional expenditure and savings should be explained in the re-appropriation statement and vague expressions such as “based on actual requirement/expenditure”, “savings are anticipated” “observance of economy”, “original provision proved insufficient or excessive”, “based on progress of actuals” etc., should be avoided. However, scrutiny of re-appropriation orders issued by the State Government revealed that out of 11,372 items of re-appropriations made, specific reasons in respect of 9,826 (86 per cent) items were not intimated to the Accountant General (Accounts & Entitlements).

#### 2.4.8 Substantial surrenders

Funds in excess of ₹ 10 crore and also more than 50 per cent of total provision in each case were surrendered in respect of 288 sub-heads amounting to ₹ 31,502 crore. These surrenders included cent per cent surrenders (₹ 8,715 crore) under 85 sub-heads. Details of cases where the surrendered amount was more than ₹ 200 crore and more than 90 per cent of the provision in each case are given in *Appendix 2.5*. Government could have assessed its requirement more realistically in these cases.

#### 2.4.9 Lumpsum provision

Paragraph 13.12 of the APBM stipulates that lumpsum provision should not as a rule be made in the budget estimates. However, lumpsum provision of ₹ 55 crore was made in the budget under MH 2052-00-090-(75) in violation and the entire provision remained unutilised at the end of the year.

### 2.4.10 Surrender in excess of savings

The Departments, as per the provisions of the paragraph 17.2.2 of APBM, are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when savings are anticipated. Surrender of the provision in anticipation of saving and incurring expenditure subsequently by the controlling officers' results in surrender in excess of the overall saving in a grant/appropriation. In 16 cases, the amount surrendered (Rupees two crore more in each case) was in excess of actual saving indicating lack of/inadequate budgetary control and monitoring in these Departments. Against the saving of ₹11,324 crore, the actual amount surrendered was ₹12,273 crore, resulting in excess surrender of ₹949 crore. Details are given in *Appendix 2.6*.

### 2.4.11 Savings not surrendered

At the close of the year 2015-16, there were eight grants and three appropriations in which saving of ₹1,703 crore occurred which was not surrendered by the Departments (*Appendix 2.7*). Similarly, out of the saving of ₹20,407 crore under 22 grants and one appropriation, (Rupees five crore and above) saving amounting to ₹5,807 crore (28 per cent) was not surrendered (*Appendix 2.8*).

Besides, in 20 cases, ₹17,604 crore (43 per cent) of the total saving of ₹41,143 crore was surrendered (in excess of ₹10 crore) on the last working day of the financial year (*Appendix 2.9*), which was contrary to the Paragraph 17.2.2 of the Andhra Pradesh Budget Manual.

## 2.5 Advances from Contingency Fund

Contingency Fund (CF) of the State has been established under the Telangana Contingency Fund Act, 2014 in terms of provisions of Article 267(2) and 283(2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent character, postponement of which, until its authorisation by the Legislature, would be undesirable. The Fund is in the nature of an imprest with a corpus of ₹50 crore and required to be recouped by obtaining supplementary grants.

During the year 2015-16, an aggregate amount of ₹19.49 crore was drawn from Contingency Fund against 41 sanctions and an amount of ₹18.88 crore was recouped to the Fund. An amount of ₹59.62 lakh drawn against eight sanctions proved unnecessary as the entire amount was remitted back to the CF.

## 2.6 Major Policy Initiatives

Several major policy initiatives/flagship schemes were announced by the Government in 2015-16 reflecting its socio-economic priorities. Some of the major policy initiatives/schemes outlined in the budget speech/annual plan for the year 2015-16 were scrutinized in audit on a test-check basis to verify their implementation. Significant audit findings in this regard are as under.

**Table 2.6 Budgetary Position vis-à-vis actual Expenditure and Status of Implementation of the Schemes**

Sl. No.	Department	Major Policy	Status of Implementation
(1)	Housing department	<p><b>Two Bed Room Houses in Rural and Urban areas:</b></p> <p>The main objective of the scheme is to provide two Bed Room (2BHK) <i>pucca</i> houses with infrastructure facilities to eligible BPL families in Rural areas and Urban areas. During the year 2015-16, it was proposed to construct 36,000 houses for beneficiaries in rural areas and 24,000 houses for the beneficiaries in urban areas. For implementation of the scheme, an amount of ₹ 391.67 crore (for Rural housing) and ₹ 7.29 crore (for Urban housing) was allocated during the year 2015-16.</p>	<p><b>For construction of housing in rural areas,</b> out of the total budget of ₹ 391.67 crore, only an amount of ₹ 32.31 crore was released and parked (February 2016) in the Personal Deposit (PD) Account No. 27 of State Housing Corporation Limited and the balance amount of ₹ 359.36 crore was re-appropriated to other schemes. Further, ₹ 32.31 crore kept in PD Account of the Corporation lapsed to Government<sup>6</sup> on 31 March 2016. Thus, the initiative of the Government to provide <i>pucca</i> houses to 36,000 BPL families during the year 2015-16 has not been implemented.</p> <p><b>For construction of houses in urban areas,</b> though an amount of ₹ 7.29 crore was released (August 2015) the entire amount was withdrawn by way of re-appropriation. Thus, the initiative of the Government for construction of houses for 24,000 BPL families in urban areas during the year 2015-16 has not been implemented.</p>
(2)	Housing department	<p><b>Sardar Patel Urban Housing Scheme:</b></p> <p>It was launched in 2015-16 by GoI for the welfare of Urban poor. It was targeted to take up 2,709 houses with a financial outlay of ₹ 149.04 crore during the year.</p>	<p>Though, the Government made a provision for ₹ 149.04 crore, the entire amount was re-appropriated as the modalities of the Scheme were not finalised by GoI. Thus, the scheme was not implemented during the year 2015-16.</p>
(3)	Scheduled Caste Development Department	<p><b>Economic Support Schemes:</b></p> <p>For the social and economic development of SCs, Government has been providing financial assistance in the form of subsidy for creation of income generating assets through various economic support schemes, implemented by Telangana Scheduled Caste Cooperative Development Corporation Limited. Government provided an amount of ₹ 1,005.10 crore in the budget during 2015-16 to cover 41,297 beneficiaries under various schemes.</p>	<p>Out of the budget provision of ₹ 1005.10 crore, Government released an amount of ₹ 500 crore to the Corporation. The Corporation drew ₹ 250 crore and spent an amount of ₹ 114.52 crore on implementation of various land purchases/developments and other Bank-linked self-employment/economic schemes covering only 4,248 (10 <i>per cent</i>) beneficiaries against the target of 41,297 beneficiaries during 2015-16. The unutilised fund of ₹ 135.48 crore available in the PD account lapsed at the end of the year. The balance provision of ₹ 755.10 crore (75 <i>per cent</i>) was re-appropriated.</p>

<sup>6</sup> G.O.Ms.No.42 , Finance (DCM) Department, dated 31 March 2016

Sl. No.	Department	Major Policy	Status of Implementation
(4)	Department for Women, Children, Disabled and Senior Citizens	<b>Arogya Lakshmi</b> The objective of the scheme was to provide one full meal a day to children in the age group of seven months to six years and Pregnant and Lactating women with a target of 22,51,883 beneficiaries. During the year 2015-16 an amount of ₹325.77 crore was provided in the budget.	Out of ₹ 309.72 crore released, an amount of ₹277.77 crore (77 per cent) was drawn by the Department. An amount of ₹239.92 crore (77 per cent) was spent covering 21,50,992 beneficiaries (95.52 per cent) against 22,51,883 beneficiaries targeted.
(5)	Department for Women, Children, Disabled and Senior Citizens	<b>Nutrition Programme (50:50)</b> To provide nutritious food to the children in the age group of i) seven months to three years; ii) three years to six years, as well as for iii) pregnant and lactating women. An amount of ₹412.74 crore was provided in the budget to cover 22,51,883 beneficiaries during 2015-16.	Out of budget provision of ₹412.74 crore, Government released an amount of ₹326.86 crore (GoI: ₹182.93 crore & State: ₹143.93 crore) of which Department spent an amount of ₹248 crore (60 per cent). Against the target of 22,51,883 beneficiaries 20,03,524 beneficiaries (89 per cent) were provided nutrition.
(6)	School Education Department	<b>Prarambhik Shiksha Kosh</b> Under the Scheme, GoI provides funds to State Government from out of the proceeds of the education cess credited to the Prarambhik Shiksha kosh (maintained by Ministry of Human Resource Development, Department Elementary Education and Literacy) to be spent exclusively for the (a) Sarva Shiksha Abhiyan (SSA) and (b) Mid Day Meal (MDM) Schemes.	Government provided an amount of ₹245.75 crore and the entire allocation was withdrawn by way of re-appropriation due to non-receipt of guidelines under the scheme.
(7)	Panchayat Raj & Rural Development Department	<b>Interest Free Loans to DWCRA Women (Vaddi Leni Runalu)</b> Government introduced the scheme of Interest Free Loans to DWCRA Women "Vaddi Leni Runalu" with an objective to provide total interest subsidy on the bank loans taken by the Women Self Help Groups to reduce their financial burden. The incentive is in the form of reimbursement of total interest irrespective of bank interest rates. Government provided an amount of ₹197.34 crore in the Budget.	During the year, Government allocated an amount of ₹197.34 crore and the same was released. Out of this, an amount of ₹36.10 crore was utilised for repayment of interest in respect of 93,788 Self Help Groups against a target of 3,56,495 SHGs during the year and the remaining amount of ₹161.24 crore was utilised towards payment of arrears to 3,01,588 SHGs for the year 2014-15. Though there was an outstanding liability of interest on subvention of ₹526.49 crore (2014-15: ₹73.36 crore & 2015-16: ₹453.13 crore) to SHGs, Government allocated meagre amounts due to which the intended purpose was not achieved.
(8)	Agriculture & Cooperation department	<b>Rashtriya Krishi Vikas Yojana (RKVY)</b> With an objective (i) to maximize returns to the farmers and (ii) to bring about quantifiable changes in the production and productivity, an amount	Out of budget provision of ₹196.26 crore, only an amount of ₹148.88 crore (GoI: ₹104.88 crore & State ₹43.04 crore) was released by Government and the remaining amount of ₹39.10 crore was

Sl. No.	Department	Major Policy	Status of Implementation
		of ₹ 196.26 crore was provided in the budget during the year.	re-appropriated. The released fund of ₹ 148.88 crore was drawn and kept in the PD account of Director, SAMETI <sup>7</sup> . Of this amount, only ₹ 64.45 crore was spent on the programme and the balance fund of ₹ 84.73 crore was not utilised, though there was a committed liability to that extent. Further, the State Government retained an amount of ₹ 31.04 crore out of GoI release of ₹ 135.92 crore and its matching share was also not fully released.
(9)	Municipal Administration & Urban Development	<p><b>Development of Smart Cities Scheme</b> For improving quality of life and attracting people and investment to the cities, development of 100 Smart Cities was proposed in five years across the country. GoI has allocated two smart cities<sup>8</sup> for the State of Telangana.</p> <p>An amount of ₹ 183.46 crore (including supplementary grant of rupee one crore) was provided in the budget for the year 2015-16.</p>	GoI released an amount of Rupees four crore for preparation of Smart City Proposal (SCP) under Smart Cities Mission (SCM) guidelines for the year 2015-16. The State Government did not release the fund as the DPRs were at approval stage. Government re-appropriated the entire budget provision.
(10)	Environment, Forests Science & Technology department	<p><b>Telanaganaku Harithaharam</b> is a flagship programme of State Government which envisages increasing the tree cover of the state from present 25.16 <i>per cent</i> to 33 <i>per cent</i> of the total geographical area of the state. To achieve this objective, massive plantation, intensive rejuvenation and regeneration works in degraded forest areas throughout the State were to be implemented. During the year 2015-16, budget provision of ₹ 300 crore was provided under Forest Department.</p>	Out of ₹ 300 crore provided, Government released only an amount of ₹ 166.38 crore, of which an amount of ₹ 155.92 crore was spent. Against the target of 1.68 crore plantations, only 1.28 crore plantations were done. An amount of ₹ 10.46 crore was remaining as unspent balance.
(11)	Panchayat Raj & Rural development department	<p><b>Swachh Bharath Mission (Gramin):</b> It is a Centrally Assisted State Plan Scheme with a sharing pattern of Centre and State 75:25, to bring about an improvement in the general quality of life in the rural areas, by promoting cleanliness, hygiene and accelerate sanitation coverage in rural areas</p> <p>During the year an amount of ₹ 171.18 crore was provided (including supplementary grant of ₹ 26.98 crore) in the budget.</p>	During the year, Government provided and released the entire budget provision of ₹ 171.18 crore (GoI: ₹ 128.39 crore & State: ₹ 42.79 crore) and was incurred. However, against the target of construction of 6,86,842 of sanitary complexes, toilets for schools, Individual House Hold Latrines (IHHL/APL & BPL) only 2,40,193 (35 <i>per cent</i> ) constructions were completed. Thus there is mis-match between the financial progress and physical targets reported.

<sup>7</sup> State Agricultural Management & Extension Training Institute (SAMETI)

<sup>8</sup> Greater Warangal Municipal Corporation and Karimnagar Municipal Corporation

### 2.6.12 Scheduled Castes and Tribal Sub-Plan

As per Andhra Pradesh Scheduled Castes Sub-Plan (SCSP) and Tribal Sub-Plan (TSP) Act 2013 (Planning, Allocation and Utilisation of Financial Resources), all Government Departments should earmark at least 15.44 *per cent* and 9.34 *per cent* of the total plan outlay in the Budget exclusively for the development of Scheduled Castes and Scheduled Tribes, respectively, by designing schemes that directly benefit the SCs/STs individually or as a community with a view to improving the economic and social condition of the targeted groups. During the year 2015-16, ₹7,847.38 crore<sup>9</sup> (15.58 *per cent*) and ₹5,035.50 crore<sup>10</sup> (9.37 *per cent*) were allocated towards SCSP and TSP, respectively (including deemed allocation towards non-divisible infrastructure works under Energy, Transport and Irrigation and Command Area Development Department). The scheme-wise allocations under SCSP and TSP are detailed in *Appendix 2.10*.

Budget allocation and expenditure under Scheduled Castes Sub Plan (SCSP) and Tribal Area Sub Plan (TSP) during the year 2015-16 were as follows.

**Table 2.7: Budget vis-à-vis expenditure under SCSP and TSP during 2015-16**

(₹ in crore)								
Total State Plan Budget	Budget for SCSP (original)	% of SCSP budget	Total Budget SCSP (O+S)	Expenditure	Budget for TSP (original)	% of TSP budget	Total Budget TSP (O+S)	Expenditure
52,383	6,877	13.13	7,693	3,709 (48%)	4,620	8.82	5,385	2,613 (49%)

Source: Statement of Demands for Grants and SCSP and TSP 2015-16

Figures in parentheses indicate percentage of funds expended vis-à-vis allocation

It would be seen from the above that only 48 *per cent* and 49 *per cent* were spent towards SCSP and TSP, respectively, against the allocated amount (other than deemed allocation towards non-divisible infrastructure works), resulting in huge savings of 52 *per cent* and 51 *per cent*. It would be evident that the intended purpose was not achieved due to non-release of funds for the SCSP and TSP.

## 2.7 Review of Selected Grants

During the year 2015-16, two grants viz., Panchayat Raj, Major and Medium Irrigation were selected for detailed audit scrutiny to ascertain compliance with budgeting processes, utilisation of funds, expenditure control mechanisms and implementation of schemes within these grants. Audit findings in this regard are discussed below.

### 2.7.1 Panchayat Raj (Grant No. XXXI)

This Grant is administered by the Panchayat Raj Department. The allocation of budget to Panchayat Raj Department (₹12,140.15 crore) constituted 8.71 *per cent* of the total state budget (₹1,39,359.94 crore) during the year 2015-16.

<sup>9</sup> ₹6,876.79 crore towards all departments and ₹970.59 crore towards non-divisible infrastructure works

<sup>10</sup> ₹4,619.53 crore towards all departments and ₹415.97 crore towards non-divisible infrastructure works

### 2.7.1.1 Budget and Expenditure

Details of budgetary provision, actual expenditure and savings in this grant during the year 2015-16 are given below:

**Table 2.8: Budget vis-a-vis expenditure**

(₹ in crore)						
Section	Original	Supplementary	Total	Expenditure	Savings	Surrenders
Revenue	7,532.22	1,663.64	9,195.86	4,227.53	(-) 4,968.33	5,533.42
Capital	45.27	2,899.02	2,944.29	1,823.08	(-)1,121.21	0.00
<b>Total</b>	<b>7,577.49</b>	<b>4,562.66</b>	<b>12,140.15</b>	<b>6,050.61</b>	<b>(-)6,089.54</b>	<b>5,533.42</b>

Source: Appropriation Accounts 2015-16

Under the Revenue Section, an amount of ₹4,228 crore was spent against the total provision of ₹9,196 crore, resulting in a saving of ₹4,968 crore (54 per cent) and under the Capital Section, ₹1,823 crore was spent against the total provision of ₹2,944 crore, resulting in saving of ₹1,121 crore (38 per cent).

### 2.7.1.2 Surrender of Savings

As per the provisions of Paragraph 17.2.2 of APBM, all Departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated.

An amount of ₹5,533 crore (111 per cent) was surrendered on the last working day of the financial year 2016 in excess of the actual saving of ₹4,968 crore under the Revenue Section. Though the actual expenditure was less than Original provision, obtaining supplementary grant proved unnecessary. Out of the total saving of ₹1,121 crore, no amount was surrendered under the Capital Section during the year.

### 2.7.1.3 Excessive /Insufficient /Unnecessary Supplementary Grants

Supplementary Grant aggregating ₹4,062 crore proved excessive by ₹1,562 crore in 17 schemes and similarly, Supplementary Grant of ₹3.40 crore proved insufficient in two schemes. The details are in **Appendix 2.11**.

Supplementary grants aggregating ₹203 crore obtained in nine schemes during the year proved unnecessary as the actual expenditure (₹432 crore) was less than the original provision (₹3,433 crore), as detailed in **Appendix 2.12**.

### 2.7.1.4 Unnecessary and Excessive Re-appropriation of funds

As per paragraph 17.5 of APBM, re-appropriation is permissible only when a saving under one head of account and an excess under another are known or anticipated with reasonable certainty or when it is deliberately proposed to curtail expenditure under one head with a view to incurring more urgent additional expenditure under another. During the year 2015-16, unnecessary/excessive/insufficient re-appropriation of funds occurred in 13 schemes under the grant which resulted in either non-utilisation of funds or excess over provision in each case, as detailed in **Appendix 2.13**.

### 2.7.1.5 Surrender of entire provision

In respect of certain schemes, although funds were provided in accordance with the Annual Plan, the entire provision in eight schemes amounting to ₹ 187.24 crore was surrendered/re-appropriated without any expenditure as detailed in *Appendix 2.14*.

### 2.7.1.6 Expenditure incurred without provision

As per Paragraph 17.3.1 and 17.6.1(c) of APBM, no expenditure should be incurred on a scheme/service for which no provision has been made in the original Budget Estimates. However, it was observed that an amount of ₹ 517 crore was incurred in seven schemes without budget provision as detailed in *Appendix 2.15*.

### Programme implementation

Test-check of a few schemes showed the following:

#### (a) Funds lying unutilised ₹ 13.71 crore

It was observed that funds released for an amount of ₹ 13.71 crore under a few schemes were neither utilised nor surrendered and were lying in the P.D. Account of the CEO, Z.P.P, Rangareddy District and other Bank accounts, as detailed in **Table 2.9** below:

**Table 2.9: Details of unutilised funds**

(₹ in crore)						
Sl. No.	Name of the scheme	Budget allocation	Funds released	Date of release	Unutilised funds	Where funds kept
1.	Unanimously Elected Gram Panchayats	9.04	4.52	May 2015 & November 2015	4.52	P.D. Account
2.	Strengthening of G.Ps.	15.00	7.50	May 2015 & November 2015	7.50	₹ 3.75 crore in PD A/c and ₹ 3.75 crore in Oriental Bank of Commerce (OBC) A/c. No.11112191010143, Himayat Nagar branch
3.	Awards to Best Gram Panchayats	1.00	0.50	May 2015 & November 2015	0.50	₹ 0.25 crore in P.D. account and ₹ 0.25 crore in OBC A/c.No.11112191010143, Himayat Nagar branch
4.	Rajiv Gandhi Panchayat Sashaktikaran Abhiyan	1.21	1.21	NA	1.19	State Bank of Hyderabad (SBH) A/c.No.62465611307, Himayat Nagar branch
<b>Total</b>					<b>13.71</b>	

Source: Departmental figures; NA: Not Available

#### (b) No provision for discharging outstanding liabilities

Government had issued orders<sup>11</sup> for supply of power in Gram Panchayats with effect from

<sup>11</sup> G.O.Ms.No.44 Energy Department, dated 11 May 1987

1 March 1987 (other than Major Panchayats) for Drinking Water Supply scheme and street lighting free of cost. An amount of ₹ 1,473.13 crore remained to be paid to TRANSCO as of March 2016 on this account. Though such undischarged liability existed, Government did not provide sufficient budget for the same, which needs to be addressed.

**(c) Grants to PRIs**

Per Capita Grant is given to a PRI, based on population, to be utilised for development activities as part of its General resources. Though the Department had proposed ₹ 72.60 crore towards Per Capita Grant, only an amount of ₹ 31.20 crore was allocated in the budget. Against a release of ₹ 15.60 crore, an amount of ₹ 15.96 crore was spent exceeding the release by ₹ 0.36 crore. Further, an amount of ₹ 11.35 crore was re-appropriated to another scheme on 31 March 2016. The non-release of intended grants to PRIs, which have limited financial resources, would adversely affect their developmental activities.

**(d) Short release of Seigniorage Fees to Local bodies**

Seigniorage Grant (Non- Plan) relates to the share of the PRIs in respect of Seigniorage fee collections made by the Mines and Geology Department from metal, sand, mining etc. The Seigniorage fee collected during the previous year is initially adjusted in Government Account and apportioned among the local bodies (in the ratio of 25:50:25 between ZPs/MPPs/GPs). Against collection of Seigniorage fee of ₹ 434.20 crore in 2014-15, provision in the budget was made only for ₹ 38.72 crore during 2015-16. Of this, only ₹ 19.36 crore (4 per cent) was released to ZPs/MPPs/GPs. Thus, the PRIs were not provided with the intended financial support for their developmental activities.

**(e) Water Grid - Telangana Drinking Water Supply Sanitation Project (TDWSSP)**

During the year 2015-16, an amount of ₹ 6,862.27 crore (including supplementary grant ₹ 2,862.27 crore) was allocated in the budget for implementation of TDWSSP, of which only an amount of ₹ 1,413.86 crore was released and expenditure incurred. Though, the actual expenditure was less than the original provision, supplementary grant of ₹ 2,862.27 crore was obtained, which proved unnecessary.

The Scheme was funded from loans obtained from HUDCO, NABARD and a consortium of Banks. The first installment of HUDCO loan of ₹ 998.82 crore was drawn in March 2015 and the unutilised loan of ₹ 970 crore later lapsed on 31 March 2016 from the PD account. During 2015-16, for payment of interest on the loan, an amount of ₹ 71.73 crore was provided in the budget and the amount was utilised for payment of interest to HUDCO.

**(f) Release of Supplementary budget to outdated scheme Backward Region Grant Fund (BRGF)**

During the year 2015-16, ₹ 121.28 crore was provided in the budget under BRGF (which was closed during 2014-15) and the entire grant was booked as expenditure by DTO (Urban). The Department had not produced the supporting vouchers in this regard. However, the Commissioner of Panchayat Raj and Rural Development informed that no funds were

released by Government under the Scheme. Irregularities can not be ruled out in expenditure without supporting documentation.

## 2.7.2 Major and Medium Irrigation (Grant No. XXXIII)

This Grant is administered by the Irrigation and Command Area Development Department. The allocation of budget to Irrigation Department constituted 9.72 *per cent* of the total state budget (₹ 1,39,359.94 crore) during the year 2015-16.

### 2.7.2.1 Budget and Expenditure

Details of budgetary provision, actual expenditure and savings in this grant are as follows:

**Table 2.10: Budget vis-a-vis expenditure**

(₹ in crore)						
Section	Original	Supple- mentary	Total	Expenditure	Savings	Surrenders
Revenue	3,279.33	17.72	3,297.05	3,127.76	(-) 169.29	146.87
Capital	6,221.84	4,028.79	10,250.63	6,484.63	(-)3,766.00	1,979.90
<b>Total</b>	<b>9,501.17</b>	<b>4,046.51</b>	<b>13,547.68</b>	<b>9,612.39</b>	<b>(-)3,935.29</b>	<b>2,126.77</b>

Source: Appropriation Accounts 2015-16

Under the Revenue Section, an amount of ₹ 3,128 crore was spent against the total provision of ₹ 3,297 crore resulting in a saving of ₹ 169 crore (5 *per cent*) and under the Capital Section, an amount of ₹ 6,485 crore was spent against the total provision of ₹ 10,251 crore resulting in a saving of ₹ 3,766 crore (37 *per cent*).

### 2.7.2.2 Surrender of Savings

As per Paragraph 17.2.2 of APBM, all Departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. Out of the total provision of ₹ 169 crore under the Revenue Section, an amount of ₹ 147 crore (87 *per cent*) was surrendered on the last working day of the financial year 2015-16. Though the actual expenditure was less than Original provision, obtaining supplementary grant proved unnecessary. Out of the total saving of ₹ 3,766 crore, only an amount of ₹ 1,980 crore was surrendered under the Capital Section during the year.

### 2.7.2.3 Unnecessary/Excessive Supplementary Grants

Supplementary grants aggregating ₹ 416.38 crore obtained in 10 projects during the year proved unnecessary as the actual expenditure (₹ 2,098.30 crore) fell short of even the original provision (₹ 2,870.78 crore), as detailed in **Appendix 2.16**. Similarly, Supplementary grants aggregating ₹ 3,607.87 crore proved excessive by ₹ 1,636.90 crore against the required provision of ₹ 1,970.97 crore in 17 schemes under the grant, as detailed in **Appendix 2.17**.

### 2.7.2.4 Unnecessary/Excessive/Insufficient Re-appropriation of funds

As per paragraph 17.5 of APBM, re-appropriation is permissible only when a saving under one head of account and an excess under another are known or anticipated with reasonable

certainty or when it is deliberately proposed to curtail expenditure under one head with a view to incurring more urgent additional expenditure under another. During the year 2015-16, unnecessary/excessive/insufficient re-appropriation of funds occurred in 11 projects under the grant which resulted in either non-utilisation of funds or excess over provision in each case, as detailed in *Appendix 2.18*.

#### 2.7.2.5 Surrender of entire provision

In respect of certain schemes, although funds were provided in accordance with the Annual Plan, the entire provision in 30 cases amounting to ₹61.39 crore was surrendered/re-appropriated without incurring any expenditure, as detailed in *Appendix 2.19*.

#### 2.7.2.6 Expenditure incurred without provision

As per Paragraph 17.3.1 and 17.6.1(c) of APBM, no expenditure should be incurred on a scheme/service for which no provision has been made in the original Budget Estimates. However, it was observed that an amount of ₹ 1.18 crore was incurred in two projects without budget provision, as detailed in **Table 2.11** given below:

**Table 2.11: Expenditure incurred without Budget provision**

(₹ in crore)					
Sl. No.	Head of Account	Name of the Project	Budget (O+S)	Re-appropriation	Expenditure
1	2701-03-123	Musi Project	0.00	0.49	0.49
2	2701-03-800	Other Expenditure	0.00	0.70	0.70
<b>Total</b>			<b>0.00</b>	<b>1.18</b>	<b>1.18</b>

Source: Appropriation Accounts 2015-16

#### 2.7.2.7 Rush of expenditure

Article 39 of the APFC requires that expenditure should be evenly distributed throughout the year and no attempt should be made to prevent the lapse of an appropriation by any undue rush of expenditure during March. Expenditure during the three quarters ending up to December 2015 was 46 per cent of the total expenditure. While the percentage of expenditure in the last quarter was 54 per cent, the expenditure in the month of March 2016 alone constituted 38 per cent, indicating rush of expenditure, as detailed in *Appendix 2.20*.

#### 2.7.2.8 Programme implementation

Test-check of a few schemes showed the following:

##### (a) Civil Works

A budget provision of ₹ 224.00 crore was made for drainage works under Tribal Area Sub Plan, which was re-appropriated (₹ 223.65 crore) to other Projects/Schemes. Thus, no expenditure on civil works has been incurred during the year. The details of re-appropriation are given in **Table 2.12** below:

**Table 2.12: Details of re-appropriations**

(₹ in crore)			
Sl. No.	G.O Rt No./Date	Decrease (-)	Remarks
1	2601/22-8-15	70.00	Held in Reserve
2	3103/28-9-15	48.93	Towards clearing of electrical charges in respect of ST Housing Colonies under Deepika Scheme
3	3118/29-9-15	100.00	Towards acquisition of land in Adilabad District and Deposited with the District Collector, Adilabad
4	3130/30-9-15	4.72	For Upper Koulasanala Project
<b>Total</b>		<b>223.65</b>	

As per Para-17.4 of A.P. Budget Manual, re-appropriations between different grants are not permissible. However, due to the slow progress of works, Government had re-appropriated<sup>12</sup> an amount of ₹ 100 crore from “Civil Works” under Major & Medium Irrigation provided to “Construction and restoration of minor irrigation sources” under Minor Irrigation Grant.

**(b) Alimineti Madhava Reddy Srisailam Left Bank Canal (AMRSLBC) Project**

The Project is to provide irrigation facility to the drought prone areas of Nalgonda district for irrigating 3.00 lakh acres of land and drinking water to the fluoride affected villages in Nalgonda district and Hyderabad by utilising 30 TMC of Krishna water.

An amount of ₹ 805 crore (including ₹ 205 crore in supplementary grant) was provided in the budget estimates, of which an amount of ₹ 592.05 crore was incurred and an amount of ₹ 26.54 crore was re-appropriated to other projects. Though the expenditure fell short of even the original provision, the supplementary grant of ₹ 205 crore obtained towards payment of Land Acquisition charges proved unnecessary.

**(c) Sripada Yellampally Project**

This project was contemplated to tap the available yield in Godavari River below the Sriram Sagar Project, hitherto untapped. Construction of a barrage across river Godavari was proposed at Yellampally village, Ramagundam Mandal of Karimnagar district to store 20,175 TMC of water for irrigating an ayacut of 1,85,700 acres in Karimnagar district and stabilization of 30,000 acres in Adilabad district.

During the year 2015-16, an amount of ₹ 598 crore was provided in budget estimates of which ₹ 225.58 crore (38 *per cent*) was incurred, leaving a balance of ₹ 372.42 crore (62 *per cent*), which was re-appropriated to other projects.

**(d) Jawahar Nettekpadu Lift Irrigation Scheme**

This scheme envisages lifting of 20 TMC of water from the foreshore of PJP Reservoir to provide irrigation facilities to two lakh acres in the drought prone upland areas of Gadwal and

<sup>12</sup> G.O.Rt.No.3118 Finance(Budget) Department, dated 29-09-2015

Alampur Constituencies, covering about 148 villages of eight Mandals, besides providing drinking water facilities en-route the canal in Mahbubnagar District.

An amount of ₹254.11 crore (including supplementary grant of ₹5.11 crore) was provided in the budget estimates of which only an amount of ₹62.68 crore (25 per cent) was expended and ₹185.14 crore (75 per cent) was re-appropriated to other heads/projects.

## **2.8 Errors in budgeting process**

The following lapses/errors were observed in the process of budgeting during the year 2015-16:

### **2.8.1.1 No Provision in Budget Estimates under Subventions from Central Road Fund**

Subvention from Central Road Fund is released to the State by GoI for road development works. These amounts are to be transferred to Major Head 8449-Other Deposits-103-Subvention from Central Road Fund by debit to MH 3054-Roads and Bridges-797-Transfers to Reserve Fund-Deposit Account. Although provision for transfer of grant received is required to be made every year in the budget, this was not done.

### **2.8.1.2 Incorrect classification**

Subsidies are being shown under Detailed Head 310-Grants-in-Aid instead of under 330-Subsidies. During the year 2015-16 an amount of ₹360.64 crore was provided, of which ₹339.58 crore was booked as expenditure under 310-Grants-in-aid, instead of 330-Subsidies in various Departments.

Similarly, a huge provision of ₹1,673.30 crore made in the nature of subsidies and an amount of ₹1,010.42 crore was expended under 310-Grants-in-Aid, instead of 330-Subsidies in various Departments, as detailed in *Appendix 2.21*.

### **2.8.1.3 Misclassification in budget estimates**

- i. As per LMMH, the scheme “Veterinary Services and Animal Health” has been accommodated under Minor Head 101. However the Government provided budget of ₹9.29 crore for the scheme under the Omnibus Minor Head 800 and an expenditure of ₹5.50 crore was incurred.
- ii. As per Standard Objects of Expenditure (Detailed Heads of Account) given in Budget Manual the object Head-501 has to be operated for Compensations.  
However, for payment of compensations, a provision of ₹89.18 crore was made under “310-Grants-in-Aid and 320-Contributions” under Major Head 3604- Compensation and Assignments to Local bodies and Panchayat Raj Institutions and an expenditure of ₹43.69 crore was incurred.
- iii. As per the guidelines of the Indian Government Accounting Standards (IGAS-2), the detailed head 310-Grants in Aid constitutes the revenue expenditure of the Government. However, an amount of ₹676.14 crore was provided towards 310-Grants-in-aid and the expenditure of ₹151.10 crore was booked under the Capital Section during the year 2015-16.

- iv. As per Standard Objects of Expenditure (Detailed Head of Account) given in Budget Manual, the Sub Detailed Head 311 is to be operated for Grants-in-Aid towards salaries. Test-check of vouchers for the month of October 2015 showed that the Government had released<sup>13</sup> an amount of Rupees one crore towards salaries of Research Personnel under Centre for Economic & Social Studies (CESS) and the same was classified under the Sub Detailed Head 312-Other Grants-in-Aid instead of 311-Grants-in-Aid towards salaries.

#### **2.8.1.4 Non-incorporation of correction slip**

- i. As per CGA's correction slip no.718, dated 14 February 2012 the functional head "102-National Rural Livelihood Mission" was to be operated under MH 2501-Special Programmes for Rural Development-06-Self Employment Programmes". However, the sub head (05)-"National Rural Livelihood Mission" was provided under minor head 800, instead of operating specific functional minor head "102". During the year 2015-16, an amount of ₹ 80.95 crore was budgeted and expended.
- ii. As per CGA's correction slip no.417 issued on 16 January 2002, the nomenclature of Minor Head 191 was "Assistance to Municipal Corporations". However, under MH 2217-80 the nomenclature of Minor Head 191 was shown as "Assistance to Local Bodies, Corporations, Urban Development Authorities, Town Improvement Boards etc." During the year an amount of ₹ 1,316.76 crore was budgeted and ₹ 684.19 crore expended.

#### **2.8.1.5 Operation of unauthorized Sub Major Head/Minor Heads**

As per correction slip No.370, dated 25 March 2000 Sub Major Head 01-"Integrated Rural Development Programme" and the Minor Heads thereunder below MH 2501-"Special Programmes for Rural Development" were no longer in operation and had been deleted from the year 2000-01. However, these heads were still being operated by State Government. During the year 2015-16, an amount of ₹ 593.17 crore was provided and expenditure of ₹ 296.33 crore was incurred.

#### **2.8.1.6 Opening of new sub-heads**

Article 150 of the Constitution mandates the prescription of the form of accounts by the President on the advice of the Comptroller and Auditor General. Section 21 of the DPC Act 1971, however, permits the CAG to delegate his powers to his subordinated authorities. Accordingly, CAG has, at various points of time, delegated his powers to render advice, to the Pr. Accountants General/Accountant General (A&E). The State Government has to take prior concurrence of the AG (A&E) before opening any new head. It was, however, seen that during the year 2015-16 the Government had opened 39 new Sub-Heads without prior concurrence of the Accountant General (A&E) with a total provision of ₹ 6,121.27 crore, against which an expenditure of ₹ 426.25 crore in respect of various schemes under 14 Grants was incurred, as shown in *Appendix 2.22*.

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<sup>13</sup> G.O.Rt.No.451 Planning (III) Department, dated 15 September 2015

## 2.9 Conclusion

*Evidence of unrealistic budgetary assumptions and weaknesses in expenditure monitoring and control were observed during the year. Actual expenditure (₹1,04,098 crore) incurred was less than the budget provision (₹1,39,360 crore) and savings for the current year stood at ₹35,262 crore (25 per cent). Out of the savings, ₹16,269 crore were surrendered on 31 March 2016.*

*Several policy initiatives taken up by Government were either unfulfilled or were partially executed, primarily due to non-approval of scheme guidelines/modalities, non-commencement of works for want of administrative sanction and poor project implementation, apart from the non-release of budget.*

*Excess expenditure of ₹5,881 crore was incurred during 2015-16 without Legislative authorization. Regularisation of excess expenditure for the year 2014-15 amounting to ₹304 crore was yet to be carried out by Government by taking Legislative approval. Lumpsum provision (₹55 crore) without specific details of expenditure were included in the budget for 2015-16 and the entire provision was surrendered at the end of the year.*

*There were several instances of misclassification in the budget on subsidies, Subvention from Central Road Fund etc., which indicated deficiencies in the budgetary process.*

*Unrealistic budgetary allocations resulting in substantial savings, unnecessary supplementary grants, expenditure incurred without provision and excess re-appropriations resulting in excess provision were indicative of poor budget management.*

**3.1 Introduction**

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliances are thus attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government in meeting its basic stewardship responsibilities, including strategic planning and decision making. This chapter provides an overview and status of the State Government's compliance/non-compliance with various financial rules, procedures and directives during the current year.

**3.2 Utilisation Certificates**

Utilisation Certificates (UCs) should be furnished by the State Government to GoI with regard to the funds provided by the latter for implementation of various socio-economic development programmes. Where specific grants are provided, State Government rules<sup>1</sup> also affirmed the responsibility of the authority drawing the funds, for submission of UCs to the Departmental officers and forwarding them to the Accountant General (Accounts & Entitlements) after verification. However, non-submission/delay in submission of the UCs hampers the objectives of allocating funds and provides scope for mis-utilisation/mis-appropriation/diversion of funds.

Significant irregularities observed during test check of a few Departments are detailed below:

**3.2.1 Supplementary Nutrition Programme (SNP)**

Supplementary Nutrition Programme (SNP) is one of the main components of ICDS to tackle malnutrition. SNP services are provided to the target groups of pregnant and lactating women and children between seven months to six years through Angan Wadi Centers. The Scheme is funded equally by Centre and State.

During 2015-16, GoI and State Government had released an amount of ₹326.38 crore (₹182.93 crore by GoI) for implementation of the Programme. Though the Department had utilised only an amount of ₹248.11 crore, UCs were furnished for the entire fund released.

**3.2.2 Financial Assistance to Girijan Co-operative Corporation**

As per Article 94 of APFC Volume-I, no money shall be drawn from Treasury unless it is required for immediate disbursement.

Audit scrutiny showed that during 2014-16, State Government had released ₹43.49 crore towards financial assistance to Girijan Co-operative Corporation of which ₹20.93 crore was only utilised. The Corporation had retained the balance of ₹22.56 crore in Fixed Deposit (₹10 crore) and Bank accounts (₹12.56 crore) for payment of Pay Revision Commission

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<sup>1</sup> Note 1 below Article 211A(2) of Andhra Pradesh Financial Code

arrears of 2015 and terminal benefits of retired employees after the bifurcation of the Corporation subsequent to the division of the composite state of Andhra Pradesh. It was seen that the Department had utilised only ₹ 20.93 crore; however, the UCs were furnished for the entire release of ₹ 43.49 crore.

### 3.2.3 Submission of UCs without release of Funds

During the year 2015-16, GoI had released<sup>2</sup> Grants-in-aid of ₹ 60.90 crore as per Article 275(1) of Constitution of India towards implementation of various schemes/activities<sup>3</sup>. The State Government had released<sup>4</sup> only an amount of ₹ 40.50 crore to the Tribal Welfare Department. However, the Department had submitted UCs for the total amount of ₹ 60.90 crore.

### 3.3 Delay in Submission of accounts/Audit Reports of Autonomous bodies

Several autonomous bodies have been set up by the State Government in the fields of Medical Education, Urban Development and Tribal Welfare etc. Audit of accounts of 16 such bodies has been entrusted to the CAG of India. The delay in submission of accounts of these bodies for audit ranged from three months (four cases) to 87 months (one case) as of November 2016. Age-wise details are shown in the **Table 3.1**. The status of entrustment of audit, rendering of accounts to audit, issue of Audit Reports and their placement in Legislature by the autonomous bodies are given in *Appendix 3.1*.

**Table 3.1: Age-wise arrears of Annual Accounts due from the Autonomous Bodies**

Sl. No.	Delay in Number of Years	No. of Bodies / Authorities
1.	0-1	5
2.	1-3	1
3.	3-5	5
4.	5-7	4
5.	7-9	1
<b>Total</b>		16

State Government needs to take appropriate measures to ensure that these accounts are compiled and submitted to audit in a timely manner so as to ensure that financial irregularities, if any, do not go undetected.

Further, in order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Heads of Department are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purpose of such

<sup>2</sup> 11015/04(2)/2015SG-1, GoI, MoTA, New Delhi dated 11 June 2015 and 30 March 2016

<sup>3</sup> Continuation of (7) existing Ekalavya Model Residential Schools (EMRSs), construction of school buildings for EMRSs, construction of compound walls to schools, construction of roads etc.

<sup>4</sup> G.O.Rt.No.2520 Finance(EBS-III) Department dated 11 August 2015

assistance and the total expenditure of the institutions. Annual accounts of 146 such assisted bodies/authorities, due from 1993-94 to 2015-16 (total number of accounts 839), were not submitted to audit as of November 2016. Details of these accounts are given in **Appendix 3.2**. Details of accounts not rendered by bodies/authorities for more than 10 years are given in **Appendix 3.2(a)**.

### 3.4 Un-reconciled expenditure and receipts

To enable Chief Controlling Officers (CCOs) of Departments to exercise effective control over budget and expenditure and to ensure accuracy of their accounts, Financial Rules<sup>5</sup> stipulate that expenditure recorded in their books are to be reconciled by them every month during the financial year with the books of the Accountant General (Accounts & Entitlements).

As of August 2016, expenditure amounting to ₹53,884 crore (56.88 per cent of total expenditure<sup>6</sup>) was not reconciled by 175 CCOs. Cases where 24 CCOs did not reconcile expenditure of ₹500 crore and above in each case are given in **Appendix 3.3**. Out of these, three major defaulters were Department of School Education ₹7,975 crore, Department of Energy ₹5,416 crore and Department of Municipal Administration & Urban Development ₹3,329 crore. Un-reconciled expenditure involves the risk of non-detection of misuse of public funds and indicates lack of effective internal controls.

Further, every Controlling Officer should obtain regular accounts and returns from the subordinate entities for amounts released by them and paid into the treasury, compare the figures with the accounts maintained in the Office of the Principal Accountant General (Accounts and Entitlements) and reconcile any differences as early as possible before the accounts for the year are closed. However, receipts amounting to ₹39,360 crore (51.63 per cent of total receipts<sup>7</sup>) under 29 heads were not reconciled by the concerned CCOs during 2015-16.

### 3.5 Personal Deposit Accounts

As per Andhra Pradesh Financial Code (APFC), Personal Deposit Accounts are created for discharging the liabilities of the Government arising out of special enactment, by debit to the Consolidated Fund. As per Government orders<sup>8</sup>, funds released during a particular financial year shall lapse on 31 March of the next financial year (lapsable deposits under category 'C') and the administrators of PD accounts are required to close such accounts and transfer the unspent balances therein back to the Government account. Further, as per the Government orders, unless the amount is immediately required to be paid for the goods and services received/works done, no amount shall be withdrawn. Further, it is stipulated that no self-cheque from Personal Deposit Account shall be permitted except for the salaries and petty office expenses. No cheque in the name of the Manager of any bank shall also be allowed,

<sup>5</sup> Article 9 of Andhra Pradesh Financial Code

<sup>6</sup> Includes Revenue, Capital and Loans and Advances (₹94,719 crore)

<sup>7</sup> Total receipts (₹76,222 crore)

<sup>8</sup> G.O.Ms.No.43, Finance & Planning (W&M) Dept. dated 22 April 2000

with a view to preventing the practice of depositing amounts in the banks to avoid lapse of funds. The Deposit Administrator and the treasury officers are to be held personally responsible for any deviations from the above stipulations. Further, the PD account administrators are required to reconcile their balances with those of Treasury and Bank and issue Certificate of Acceptance of Balances (CABs) to Treasuries within a fortnight ending each quarter, failing which the Treasury Officer may direct the Bank to stop further payments until reconciliation is completed and CAB is furnished to Treasury. Every DDO has to verify the monthly receipt and expenditure figures with reference to records maintained by him and a signed confirmation has to be sent to Treasury with remarks by 20th of succeeding month.

As administrator-wise PD accounts details were not rendered to the Office of Accountant General (Accounts & Entitlements), the details of expenditure met from the funds transferred to PD Accounts and transfer of unspent balances back to Government Account could not be verified in Audit. The number of PD accounts in operation in the Telangana State as of 31 March 2016 were 29,311 and the amounts lying in these accounts totaled ₹ 8,019.81 crore. During the year, an amount of ₹ 35,516.54 crore was transferred from the Consolidated Fund to the PD Accounts during the year 2015-16.

Audit of maintenance of PD accounts on a sample basis showed irregularities as detailed below:

### **3.5.1 Drawal of funds at fag end of the year to avoid lapse of budget**

Article 39 of the APFC requires that expenditure should be evenly distributed throughout the year and no attempt should be made to prevent the lapse of an appropriation by any undue rush of expenditure during March. In test-check of vouchers of DTO, Hyderabad (Urban), the following instances of drawal of funds far in advance of requirement to avoid lapse of budget were noticed:

- a) Grant in aid of ₹ 50 crore was drawn on 30 March 2016 and deposited in the PD account No.347 of Vemulavada Temple Area Development Authority (Authority), Hyderabad towards additional funds by obtaining supplementary grants. However, on the following day, the Authority allowed an amount of ₹ 49 crore to lapse as per Government instructions<sup>9</sup>, retaining the balance fund of rupees one crore.
- b) Government had released<sup>10</sup> an amount of ₹ 50 crore on 31 March 2016 to Yadagiri Gutta Temple Development Authority (YGTDA) and the amount has been lying unutilised in PD account as of August 2016.
- c) Six Departments drew a total amount of ₹ 18.38 crore in March 2016 and the funds were deposited in Personal Deposit Accounts. It was seen that these amounts were allowed to lapse along with the unutilised balances lying in the PD accounts as on 31 March 2016, as per the instructions of Government<sup>11</sup>.

<sup>9</sup> G.O.Ms.No.42, Finance (DCM) Department, dated 31 March 2016

<sup>10</sup> G.O.Rt.No.699, Finance (EBS.VII) Department, dated 24 March 2016

<sup>11</sup> G.O.Ms.No.42, Finance (DCM) Department, dated 31 March 2016

**Table 3.2: Funds drawn and kept in PD Accounts to avoid lapse of appropriation**

(₹ in crore)					
Sl. No.	Name of the Office	PD A/C No.	Vr. No/Date of drawal	Amount drawn	Amount lapsed
1.	Tribal Welfare Department (MH 2225)	295 (3 vrs)	5299, 5300, 5311 dt.26/3/16	0.74	3.74
2.	Scheduled Caste Development Department (MH 2235)	40 (5 vrs)	3527, 3528 dt.11/3/16 5305, 5306, 5307 dt.29/3/16	1.46	2.67
3.	Technical Education Department (MH 2203)	275 (6 vrs)	3586, 3587 dt.9/3/16 4610, 4614 dt.10/3/16 5724, 5725 dt.31/3/16	11.87	13.94
4.	Technical Education (MH 2203)	291	5281 dt.31/3/16	1.36	1.36
5.	Municipal Administration & Urban Development(MH 2217)	45	5283 dt.24/03/16	2.75	26.91
6.	Commissioner of BC Welfare (MH 2225)	225 (2 vrs)	5500, 5501 dt.31/03/16	0.20	4.70
<b>Total</b>				<b>18.38</b>	<b>53.32</b>

- d) Government issued instructions<sup>12</sup> directing the all Administrators of PD accounts allowed to lapse the unutilised balances lying in PD accounts under Category 'C' as on 31 March 2016. It was, however, seen that three PD Administrators had allowed only ₹ 7.82 crore out of ₹ 271.77 crore which was lying unspent as on 31 March 2016 to lapse. The details are given in **Table 3.3** below:

**Table 3.3: Unspent balances in the PD Accounts**

(₹ in crore)								
Sl. No.	Name of the PD administrator	PD A/c No.	OB as on April 2015	Receipts during the year	Expenditure during the year	Lapsed during March 2016	CB as on March 2016	Balance available as on August 2016
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Telangana State Schedule Tribes Finance Corporation (Tricor)	170	185.94	136.18	128.98	7.82	185.32	140.59
2.	Sports Authority of Telangana State	41	7.22	36.06	32.36	--	10.92	9.96
3.	Chief Planning Officer, Hyderabad	229	25.91	88.74	39.12	--	75.53	65.64
<b>Total</b>			<b>219.07</b>	<b>260.98</b>	<b>200.46</b>	<b>7.82</b>	<b>271.77</b>	<b>216.19</b>

- e) The Administrators of PD accounts in two Departments drew an amount of ₹ 48.58 crore at the fag end of the financial year in order to avoid lapse of budget and parked the funds in the Personal Deposit Accounts. The unspent balance of ₹ 50.37 crore

<sup>12</sup> G.O.Ms.No.42, Finance (DCM) Department, dated 31 March 2016

lying in the three PD accounts as on 31 March 2016 was not allowed to lapse by the Administrators of PD accounts, in contravention of the Government orders as detailed in **Table 3.4** below:

**Table 3.4: Parking of Funds in the PD Accounts**

(₹ in crore)					
Sl.No.	Name of the Office	PD A/c No.	Vr. No/Date of drawal	Total amount drawn	CB as on 31 March 2016
1.	Department of Collegiate Education	18 (7 yrs)	4404,4405, 4406 dt.14.03.16 4571 dt.28/3/16 4579,5442 dt.29/3/16 5441 dt.31/3/16	34.33	36.12
2.	Telangana State Public Service Commission	324 (5 yrs)	4451,4452 dt.11/3/16 5120,5696,5697 dt.31/3/16	14.25	14.25
<b>Total</b>				<b>48.58</b>	<b>50.37</b>

- f) During 2014-16, Government had released ₹ 15 crore to the Commissioner, Women Development and Child Welfare, Telangana for implementation of various schemes viz., (i) One Stop Crises Centre for Women Victims (ii) 24/7 Women Helpline (181) (iii) Gender Resource Centre and (iv) She Taxi Services for Women passengers, etc. It was seen that the Department had utilised only an amount of ₹ 4.08 crore during 2014-16, leaving a balance of ₹ 10.92 crore lying in a bank account at the end of March 2016.

### 3.5.2 Non lapsing of Category ‘B’ and Category ‘C’ Deposits

As per the provisions contained in Article 271(iii) of AP Financial Code Vol-I, all category ‘B’ Deposits unclaimed for more than three complete financial years should lapse and be credited to Government Account after the close of three financial years.

As per orders issued in the Composite State of Andhra Pradesh<sup>13</sup>, all funds released during a particular financial year for execution of various schemes and works under Category ‘C’, which remained unspent up to 31 March of next financial year, shall lapse.

On test-check of records in three DTOs<sup>14</sup> and three STOs<sup>15</sup>, it was seen that an amount of ₹ 26.42 crore pertaining to revenue and other deposits, unclaimed for more than three years falling under Category ‘B’, did not lapse.

As per Government instructions<sup>16</sup> the unspent balances in PD Accounts lapsed to Government Account should be taken as reduction of expenditure under the Major Head from which the funds were originally transferred to the PD Account. However, it was seen that the funds lapsed to the PD accounts were accounted for under Receipts, instead of showing reduction of the expenditure to that extent, in violation of the principles of accounting.

<sup>13</sup> G.O.Ms.No.43, Finance & Planning (W&M) Department, dated 22 April 2000

<sup>14</sup> DTO Ranga Reddy- ₹ 2,628.99 lakh, DTO Nizambad- ₹ 5.45 lakh and DTO Nalgonda- ₹ 4.13 lakh

<sup>15</sup> STO Luxettipeta- ₹ 0.87 lakh, STO Metpally- ₹ 0.19 lakh and STO Korutla- ₹ 2.20 lakh

<sup>16</sup> G.O.Ms.No.43, Finance & Planning (W&M) Department, dated 22 April 2000

### 3.5.3 PD accounts showing negative balances

Drawal of funds from PD Accounts should be permitted to the extent of receipts available in the Deposit Account. Test-check in Audit showed that there were 34 PD accounts in Treasuries of five districts<sup>17</sup>, showing an aggregate negative balance of ₹ 5.29 crore at the end of March 2016. These instances of PD accounts showing negative balances arose due to absence of periodical reconciliation by the Treasury with the Administrators of PD accounts. Further, excess drawals from the PD accounts could not be ruled out.

### 3.5.4 Inoperative PD accounts

As per Article 271 (iii) (4) of A.P.F.C. Vol-I, if a personal deposit account is not operated upon for a considerable period and there is reason to believe that the need for the deposit account has ceased to exist, the same should be closed in consultation with the officer in whose favour the deposit account has been opened. Test-check in Audit of two DTOs<sup>18</sup> it was seen that nine PD accounts, showing a balance of ₹ 0.12 crore, were not closed though these accounts were not in operation for more than three years.

### 3.5.5 Variations between System and ledger balances

All the transactions of PD Accounts in Treasuries in the State are processed online through a portal with effect from 16 November 2015. The accounts are also maintained manually and the manual ledger is taken as authentic. The system balances and the ledger balances should agree and the balances should be reconciled if there are any variations.

In test-check in Audit it was seen that the variations in system and ledger balances, amounting to ₹ 88.56 crore in respect of ten PD accounts in two DTOs<sup>19</sup> and three STOs<sup>20</sup>, have not been reconciled.

## 3.6 Pendency of Detailed Contingent bills

In case of contingent expenditure, the countersignature of the controlling authority is to be required after payment. The Drawing and Disbursing Officer shall present abstract bills in Form 57 at the Treasury for payment and send monthly detailed bills to the controlling authority for countersignature and transmit the same to the Accountant General within one month of drawal of such amounts. In any event, a third AC bill is not to be admitted until the first AC bill is settled<sup>21</sup>.

There were 5,029 DC bills pending for submission for an amount of ₹ 511.71 crore as of March 2016. Failure to adhere to the codal provisions and non-submission of account for drawal of amounts for long periods is a matter of serious concern. The details are in **Table 3.5** below:

<sup>17</sup> Medak- ₹ 120.22 lakh, Karimnagar- ₹ 215.36 lakh, Nizamabad- ₹ 102.50 lakh, Khammam- ₹ 90.03 lakh & Nalgonda- ₹ 0.43 lakh

<sup>18</sup> DTO Khammam- ₹ 11.29 lakh and DTO Nalgonda- ₹ 0.64 lakh

<sup>19</sup> DTO Nalgonda and Adilabad

<sup>20</sup> STOs Metpally, Utnoor and Luxettipet

<sup>21</sup> As per SR 18(d) under TR 16 of the Composite state of Andhra Pradesh Treasury Code read with Articles 102, 108 and Appendix 8 of Andhra Pradesh Financial Code.

**Table 3.5: Amount drawn on Abstract Contingent Bills**

(₹ in crore)

Year	AC bills drawn		DC bills Submitted		DC bills pending	
	Number	Amount	Number	Amount	Number	Amount
Up to 2007-08	2,118	29.75	385	6.26	1,733	23.49
2008-09	153	12.21	65	6.14	88	6.07
2009-10	105	12.16	26	0.30	79	11.86
2010-11	319	41.77	92	1.38	227	40.39
2011-12	302	35.08	121	18.91	181	16.17
2012-13	502	159.93	171	40.93	331	119.00
2013-14	1,110	194.09	468	124.59	642	69.50
2014-15	1,948	336.10	1286	207.94	662	128.16
2015-16	2793	150.91	1707	53.84	1086	97.07
<b>Total</b>	<b>9,350*</b>	<b>972.00</b>	<b>4,321</b>	<b>460.29</b>	<b>5,029</b>	<b>511.71</b>

Source: Finance Accounts Vol-I, 2015-16 & PAO, Hyderabad

\*This includes DC bills pertaining to the period prior to bifurcation dealt by PAO, Hyderabad, Telangana

As of March 2016, the major defaulters in submission of DC bills were Agriculture and Cooperation Department for an amount of ₹185 crore, followed by Revenue Department amounting to ₹148 crore and Home Department for an amount of ₹60 crore. The Department-wise details of pending DC bills are given in *Appendix 3.4*.

During test-check of the records of the Commissioner of Tribal Welfare, Hyderabad, it was observed that under Tribal Sub-plan, an amount of Rupees one crore was released to nine districts (at ₹10 lakh to each district excluding Hyderabad) towards Sri Sevalal Maharaj Birth Anniversary celebrations and ₹10 lakh to Adilabad District for celebration of Jangubhai Festival. The funds were drawn by DDOs on AC bills and DC Bills were not submitted even after the lapse of one year.

### **3.7 Misappropriations, losses, defalcations etc.**

#### **3.7.1 Misappropriation of funds of Internal House Hold Latrines (IHHL) Scheme**

As per Article 273 of APFC Vol-I, a Government servant is personally responsible for any loss sustained by the Government through fraud or negligence on his part.

In test-check (June 2015) of records of the District Water & Management Agency, Nizamabad, it was seen that an amount of ₹18.81 lakh, meant for construction of 190 IHHL, was misappropriated by an official as pointed out in Social Audit of MGNREGS which was confirmed by Ombudsman, “MGNREGS”, Nizamabad in November 2014. The misappropriated amount of ₹18.81 lakh has not been recovered.

The Department replied (June 2015) that action would be taken to recover the amount and to file a criminal case against the official concerned.

### 3.7.2 Fraudulent drawal of pay and allowances

In test-check of records of STO Vemulawada, it was seen that a total amount of ₹ 17.88 lakh was fraudulently drawn by the Mandal Education Officer, Vemulawada towards pay and allowances in the name of three ex-employees by fabricating the bills from April 2015 to January 2016.

The Department did not furnish any reply on these fraudulent drawal.

### 3.8 Operation of Omnibus Minor Head – 800

Omnibus Minor Head - 800 (other expenditure/other receipts/other deposits) accommodates expenditure/receipts which could not be classified under the available programme Minor Heads. The transactions under this Minor Head during the current year are detailed below:

**3.8.1** During 2015-16, expenditure aggregating ₹ 11,358.78 crore, constituting 13 *per cent* of the total expenditure<sup>22</sup> (₹ 89,486 crore), was classified under Minor Head 800-Other Expenditure in respect of over 47 Major Heads involving both Revenue and Capital sections. Of these, ₹ 10,398.81 crore alone pertained to 13 Major Heads. The entire expenditure under capital outlay on Roads and Bridges, Other Social services and Capital Outlay on Other Administrative Services was classified under the omnibus Minor head 800- Other Expenditure, instead of depicting the same under the relevant minor heads below their functional major heads as indicated in *Appendix 3.5*.

**3.8.2** Revenue receipts aggregating ₹ 10,369.64 crore and constituting 14 *per cent* of total Revenue receipts were classified under Minor Head 800-Other Receipts involving 47 Major Heads. Of these, ₹ 9,874.60 crore pertained to 13 Major Heads alone and the entire receipt under Rural Development Programme and Agricultural Programme was classified under the omnibus minor head 800- Other Receipts, as indicated in *Appendix 3.5(a)*.

#### 3.8.3 Other Deposits

An amount of ₹ 586.55 crore has been lying under the Major Head 8443-Civil Deposits, Minor Head 800-Other Deposits under various items of deposits.

Classification of substantial amounts under this omnibus head 800-Other Expenditure/ Other Receipts/Other deposits affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

### 3.9 Debt, Deposit and Remittance Heads

A review of Debt, Deposit and Remittance heads conducted during 2015-16 showed the following:

<sup>22</sup> Revenue: ₹ 75,896 crore, Capital: ₹ 13,590 crore

### **3.9.1 Adverse Balances under MH 6003- Internal Debt**

Article 293 of the Constitution of India empowers the State Government to borrow funds within the territory of India, upon the security of the Consolidated Fund of the State within such limits as may vary from time to time, to be fixed by an Act of the State Legislature.

Adverse balances (Minus balances) under loan heads indicate that repayment was more than the loans availed. Government Departments directly availing loan had classified such loan amounts as their receipts, while Special Purpose Vehicles and Companies/Corporations, these amounts do not enter Government accounts.

During 2015-16, there were adverse balances amounting to ₹ 349.53 crore under Internal Debt “MH 6003-105-05-Loans from NABARD for Warehousing Infrastructure Fund (₹(-)153.07 crore), MH 6003-108-08- for Other Cooperatives (₹(-)3.90 crore), MH 6003-109-12-Loans from Telangana Transco Bonds (₹(-)47.16 crore) and MH 6003-109-13-Loans from Telangana Power Finance Corporation (₹(-)145.40 crore) due to accounting the payments and not loan receipts. These adverse balances under MH-6003-Internal debt in Government accounts understate the liabilities of the Government.

### **3.9.2 Adverse Balances under Loans and Advances**

There were adverse balances in respect of 29 Heads of accounts aggregating ₹ 184.68 crore to the end of March, 2016. Non-apportionment of outstanding balances under institutional loans pertaining to Andhra Pradesh & Telangana as on 01 June 2014 and non-inclusion of opening balances under loan heads resulted in adverse balances.

### **3.9.3 Deposits and Advances**

Government receives deposits for various purposes by or on behalf of various public bodies and members of the public. Government sometimes decides to set aside sums from the revenues of a year or a series of years, to be accumulated in a fund. The balance at the credit of such a fund is held as a deposit and expended on specified objects.

Deposits are broadly categorized into two, and the balances outstanding against them as of 31 March 2016 are given below:

- (i) Deposits bearing Interest: ₹ 169.78 crore.
- (ii) Deposits not bearing Interest: ₹ 4,196.59 crore.

Some of the irregularities noticed in operation/accounting of these deposits are detailed below:

#### **3.9.3.1 Adverse Ledger Balances under Deposit Accounts**

A deposit account depicts a positive balance or nil balance. A negative balance indicates that the expenditure is more than the amount deposited which mainly arises due to misclassification of expenditure.

As per the codal provisions<sup>23</sup>, the PD Administrator should reconcile the balances in their PD accounts with the Bank every month and with the treasuries every quarter taking into account all the transactions of receipts and payments. A certificate of acceptance of balances should be issued by the administrator to the treasuries within a fortnight after the ending of each quarter to ensure accurate maintenance of accounts. There were adverse balances aggregating ₹ 1,108.36 crore under MH 8342, 8443, 8448 and 8449 as on 31 March 2016. This was a clear indication of the fact that the reconciliation process was not carried out by the concerned PD administrators.

### **3.9.3.2 Civil Advances**

As per paragraph 10.7.3 of Budget Manual, the Minor Head ‘Civil Advances’ is meant for recording Departmental advances, objection book advances, service fund advances, etc. “Civil Advances” include Forest & Revenue advances, other Departmental advances and other advances. There should normally be a debit balance under advance heads. However, during 2015-16, a credit balance of ₹ 13.84 crore was reflected in the accounts, due to non-apportionment of certain balances between AP and Telangana States.

### **3.9.3.3 Non-receipt of cheques in support of payments**

Manual of Treasury Accounts Department stipulates that payments have to be supported by cheques/vouchers containing the full details of payments made. However, in violation of the provision, treasuries have not furnished 920 cheques to Principal Accountant General (Accounts & Entitlements) in support of payments valued at ₹ 88.24 crore up to the end of March 2016. The highest number of cheques pending from DTOs are from Warangal (228 cheques valued at ₹ 14.62 crore) and the least number of cheques was pending from Nalgonda (21 cheques valued at ₹ 0.81 crore).

### ***Drawal of cheques exceeding ₹10 Lakh each without countersignature of Finance Secretary***

As per Government orders<sup>24</sup>, drawal of cheques exceeding ₹ 10 lakh each from Personal Deposit Accounts should be countersigned by the Secretary to Government, Finance Department. In violation of these orders, DTO (Urban), Hyderabad allowed drawal of ₹ 3,159.63 crore through 384 cheques exceeding ₹ 10 lakh each during the month of March, 2016 without counter signature of the Secretary, Finance Department. Further, sanction orders/Letter of credits were not appended while drawing amounts from PD Accounts.

### **3.9.3.4 Non-reimbursement of Interest on Zilla Parishad Provident Fund (ZPPF)**

The deductions made from the salaries of Zilla Parishad employees towards Provident Fund and payments made therefrom are included in the deposit account under MH 8338. The individual Provident Fund Accounts are maintained by the Chief Executive Officer (CEO) of the district. On retirement/death of any employee, interest is paid along with the accumulated credits during final settlement. The State Government has to pay interest on un-invested balances lying under deposits

<sup>23</sup> Note(4) under instructions 22 under TR 16 of APTC Vol-I

<sup>24</sup> Memo No.351/81/DCM-II/2012 (Finance Department), dated 04 August 2012

bearing interest. As per the instructions<sup>25</sup> pertaining to the Composite State of Andhra Pradesh, the Director of Local Fund Audit shall consolidate the total interest payable on the balances and send proposals to Finance and Planning (Finance Budget) Department for providing the necessary budget provision towards interest on ZPPF.

However, the interest liability on account of ZPPF was not discharged by the State Government on deposits of ZPPs on the Provident Fund contributions at the rate applicable to the interest on GPF. An amount of ₹ 716.64 crore towards interest bearing deposits on ZPPF was pending for allotment of budget provision by Government. District and year-wise details on non-reimbursement of ZPPF are shown in *Appendix 3.6*.

### **3.10 Outstanding balances under Suspense Account (Major Head 8658)**

Suspense heads are operated in Government accounts to reflect transactions that cannot be booked initially to their final head of account for some reason or the other. These are finally cleared by minus debit or minus credit when the amount is taken to its final head of account. If the amounts under suspense heads remain unadjusted, the balances under these heads get accumulated and results in understatement of Government receipts and payments.

The Suspense balances (Debit/Credit) under the Minor heads 101-PAO Suspense, 102-Suspense Account (Civil) and 110-Reserve Bank Suspense-Central Accounts Office under Major Head 8658-Suspense Account appearing in the Finance Accounts for the year 2015-16 are detailed below:

#### **3.10.1 Pay and Accounts Office – Suspense (Minor Head 101)**

This Minor Head is operated for the settlement of inter-departmental and inter-governmental transactions arising in the books of PAOs under the Union Government, PAOs of the Union Territories and the Accountants General. Transactions under this Minor Head represent recoveries effected (Credit) and payments made (Debit) by the PAO on behalf of PAO, against whom the Minor Head PAO Suspense has been operated. Credit under this head is cleared by 'minus credit' when cheque is issued by the PAO in whose books initial recovery is accounted for. Outstanding credit balance under this Head means that payments are received by the PAO on behalf of other PAOs, which are yet to be paid. Similarly, Debit is cleared by 'minus debit' on receipt and realization of cheque from the PAO on whose behalf payment was made. Outstanding debit balance under this Head means that payments have been made by the PAO on behalf of other PAO, which is yet to be recovered.

The outstanding debit balance (31 March 2016) under this Head was ₹ 94.98 crore and the credit balance was ₹ 6.39 crore. The major outstanding debit balances were in respect of PAO, Central Pensions, New Delhi (₹ 85.11 crore) and the major outstanding credit balances were in respect of M/o Shipping and Transport (₹ 4.44 crore) and PAO Shipping and Transport, Bangalore (₹ 1.66 crore). The outstanding balances under PAO Suspense need to be adjusted at once.

<sup>25</sup> G.O.Ms No. 317 Panchayat Raj (Accounts-I) department, dated 13 July 1984

### 3.10.2 Suspense Account - Civil (Minor Head 102)

The transactions which cannot be taken to final Head of expenditure/receipt accounts for want of certain information/documents (challans, vouchers etc.) are initially booked under this suspense head. Receipts are credited and expenditure is debited to this account and cleared on receipt of the required information by minus credit and minus debit, respectively. Outstanding credit balance under this head means receipts could not be credited to final receipt head of account for want of details and outstanding debit balance means payments made could not be debited to the final head of expenditure for want of certain particulars.

The outstanding balances as of 31 March 2016 were ₹9.89 crore (debit) and ₹0.25 crore (credit). Debit balances outstanding were in respect of Financial Advisor and Chief Accounts Officer (FA & CAO), South Central Railway (₹9.89 crore) and major credit balances outstanding were in respect of unclassified suspense (₹0.25 crore).

### 3.10.3 Reserve Bank Suspense - Central Accounts Office (Minor Head 110)

Whenever transfer of huge balances between Central and State Governments takes place on account of sanction of loan, grants-in-aid etc., this minor head is operated to record the transactions before taking them to their final Head of Account. In case of receipt of sanction from the PAO of the Ministry concerned, the State Accountant General concerned gives credit to MH 6004 – Loans and Advances from Central Government duly debiting MH 8658 – Suspense Accounts, 110-RBS (CAO) and awaits adjustment memo from CAS, RBI, Nagpur. On receipt of the adjustment memo from CAS, RBI, Nagpur the Suspense Account (Minor Head 110-RBS (CAO)) is cleared by minus debit duly debiting MH 8675–RBD–Minor Head 106 State concerned. A credit balance under this minor head would mean that repayment of loan has not been taken to its final head and a debit balance means loan received from GoI was not adjusted.

The outstanding balances under this head as of 31 March 2016 were ₹22.54 crore (Debit) and ₹177.68 crore (Credit), indicating that an amount of ₹200 crore needed to be adjusted (both debit and credit) under this head.

### 3.10.4 Tax Deducted at Source (TDS) Suspense – (Minor Head 112)

This Minor Head is intended to accommodate receipts on account of Income tax deducted at source viz., interest payments on State Government securities, salary bills of State Government employees and pension bills etc., by State Treasury officers/State Pay and Accounts Officers/ other Departmental Officers who render compiled accounts of State Government as well as from interest payments on State Government securities made at Public Debt offices of the RBI in the books of State Accountant General to enable them to settle transactions with Zonal Accounts Officers concerned of CBDT by means of Cheques/ Bank Drafts.

Receipts on account of TDS are credited to Major Head 8658 – Suspense Accounts under Minor Head 112 –TDS Suspense. These credits are to be cleared by the end of each financial

year and credited to the IT Department. Though this Head is meant to accommodate credits, a debit balance of ₹ 2.44 crore was reflected in the accounts which needs to be rectified.

### **3.10.5 Inter- State Suspense – MH 8793**

Transactions arising in State Treasury relating to another State Government are classified under this category. On receipt of monthly accounts from Treasury and on completion of booking, transactions are verified and advice is issued to the RBI for effecting necessary transfer of balances from one State to another. On receipt of intimation of adjustment by RBI through ‘Clearance Memos’ the accounts shown under this head are cleared. Payments (Debit) of ₹ 483 crore was lying un-adjusted in respect of Government of Goa and ₹ 638 crore in respect of Andhra Pradesh as on 31 March 2016.

## **3.11 Functioning of Treasuries**

There were significant irregularities in functioning of Treasuries during the year 2015-16, as detailed under.

### **3.11.1 Passing of bills in excess of budget provision and Non utilisation of budget funds**

As per provisions of Budget Manual, the treasury control on budget is exercised in the case of all items of expenditure except (a) Salaries (b) Pensions and (c) certain specified items like ex gratia payments, Obsequies charges etc., which are exempt from treasury control. The budget provision is placed at the disposal of Chief Controlling Officer (CCO) who further distributes the budget on quarterly basis among Sub Controlling Officers (SCO). SCO further distributes the budget among DDOs. Director of Treasuries and Accounts (DTA) captures the SCO-wise budget in the system whereas District Treasury Officer (DTO) capture the DDO-wise budget, based on the distribution statements submitted by the CCOs/SCOs.

During the inspection of two DTOs<sup>26</sup> it was seen that 15 DDOs had drawn funds amounting to ₹ 0.45 crore without any budgetary provisions. In DTO, Medak and STOs, Dubbaka and Chevella, 118 DDOs did not utilise an amount of ₹ 71 crore allocated through the budget. It was further seen that in three DTOs<sup>27</sup>, the expenditure in 14 DDOs exceeded the budgetary provisions by ₹ 3.90 crore.

### **3.11.2 Excess payment of pensionary benefits**

Test-check of records relating to payment of pension and family pension in nine DTOs, 35 STOs and nine APPOs showed that there was an excess payment of ₹ 0.23 crore, as detailed in *Appendix 3.7*.

Despite computerization of pension package at Treasuries, excess payments of pensionary benefits were observed.

<sup>26</sup> DTOs Medak and Mahbubnagar

<sup>27</sup> DTOs Medak, Mahbubnagar and Khammam.

### 3.11.3 Pension undrawn for more than one year

As per amended instruction 60 under TR 16 of Andhra Pradesh Treasury Code (A.P.T.C) Vol-I, when a pensioner has failed to receive his pension for one/three years, as the case may be, the Disbursing Officer should make enquiries through the District Police, as to the cause of his non-appearance, stating clearly where the pensioner was residing, and the pension should not be paid till the enquiry is completed and the payment of pension shall be continued if no objection is found as a result of the enquiry.

As per amended SR 86 (b) of TR 16 under A.P.T.C Vol-I, if the pensioner appears later and if the amount of arrears exceeds Rupees five lakh the payment of such arrears shall not be paid without obtaining approval of the previous sanctioning authority.

During inspection of six APPOs<sup>28</sup>, 1,319 cases of pensions not drawn for more than one year were noticed. However, no inquiry was initiated by the pension disbursing authority to ascertain the reasons for non-drawal.

It was also seen in STO Tanduru and APPO Secunderabad, that there were huge number of Original PPOs lying idle from 2012-13, where pension had ceased to be payable after the death of pensioner/beneficiary without sending the PPOs to the Pension Authorizing Authorities for their cancellation.

### 3.11.4 Un accounted Expenditure of ₹15.50 crore in the Accounts of PAO, Hyderabad

As per Para 1.3(10) of Chapter IX of PAOs manual, expenditure (Major head wise) of branch offices of PAO should be consolidated and main accounts, together with sub accounts, will be prepared by the main accounts section of PAO, Hyderabad. PAO has to certify that the Major Head totals agree with the main accounts figures and cheques issued during each month.

- 1) On scrutiny of vouchers of PAO for the month of March, 2016, it was seen that the expenditure amounting to ₹10.50 crore in four vouchers<sup>29</sup> of three DDOs<sup>30</sup> was not included either in the list of payments or in the monthly account. It was further noticed that an amount of Rupees five crore, encashed by the DDO vide cheque No.5290 dated 31 March 2016, was also not included in the monthly account. The details of these transactions are given in *Appendix 3.8*.
- 2) As per Government sanction<sup>31</sup> for Home Department, an amount of ₹2.45 crore was drawn<sup>32</sup> by the Commissioner of Printing, Stationery and Purchase Department (DDO) under the account head 2058-103-04-10 towards Guard Charges and Service Tax for the period from 01 April 2015 to 31 December 2015. The same was adjusted to the account head 0055-102-81-001 Other Receipts of the Director General, Telangana Special

<sup>28</sup> APPOs Malakpet, Secunderabad, Tarnaka, Narayanguda, Motigally and Nampally

<sup>29</sup> Vr.Nos.1, 2, 47 and 48, dated 31 March 2016

<sup>30</sup> Asst. Secretary to Govt, YATC Dept, Asst. Secretary to Govt, Planning Dept, Joint Director, IT Electronics & Communication Dept.

<sup>31</sup> G.O.Rt.No.359, Home (Services-IV) Department, dated 9 March 2016

<sup>32</sup> Vr.Nos.212, 213, dated 31 March 2016

Protection Force. However, the said transactions were also not included in the Accounts (March 2016), either as expenditure or as receipts.

Non-inclusion of ₹ 17.95 crore (₹ 15.50 crore and ₹ 2.45 crore) in the accounts of 2015-16 has resulted in understatement of expenditure by ₹ 17.95 crore. Further, it also resulted in understatement of receipts by ₹ 2.45 crore. This is indicative of lack of controls over preparation and compilation of accounts and makes the system vulnerable to the risk of subsequent drawal of the same amounts.

### **3.11.5 Non-receipt of vouchers from Treasuries/PAO**

As per Manual of Treasury Accounts Department<sup>33</sup>, all payments are to be supported by vouchers/cheques containing full details of the corresponding transactions. However, during 2015-16 vouchers numbering 10,852 were not submitted by the PAO, Hyderabad (7,906 vouchers) and the Treasuries (2,946 vouchers) to the Principal Accountant General (Accounts & Entitlements) in support of expenditure of ₹ 3,531.54 crore (PAO: ₹ 3,389.32 crore and Treasuries: ₹ 142.22 crore). Possibility of fraudulent drawls cannot be ruled out in the absence of all the supporting vouchers.

### **3.12 Conclusion**

*There were delays in submission of annual accounts by several autonomous bodies/authorities which diluted the accountability and defeated the very purpose of preparation of accounts.*

*Utilisation certificates were furnished without actual utilisation in respect of funds drawn for execution of various schemes. Detailed Contingent bills were not submitted (₹ 511.71 crore) for periods dating back to 2003 in violation of the prescribed rules and regulations, which is indicative of lack of internal controls, besides raising apprehensions about the proper end use of the funds.*

*There were huge accumulations of balances in the Personal Deposit accounts due to drawal of funds in advance of requirements and lapsing of unspent balances at the end of the year. All these point to lapses in monitoring and control over these accounts.*

*The omnibus Minor Head 800 continued to be operated during the year for recording expenditure and receipts relating to several items even where there were earmarked heads of accounts. The expenditure booked under this head affects transparency in financial reporting and distorts any meaningful analysis of allocative priorities and quality of expenditure.*

*Substantial adverse balances remained under Public Debt and Deposit heads. Large outstanding balances under suspense heads affect the quality of financial reporting. Lapsing of deposits, non-submission of DC bills and excess payment of pension/family pension indicate ineffective internal controls.*

*The interest liability (₹ 716.64 crore) on account of ZPPF was not discharged by the Government on deposits of ZPPs on the PF contributions.*

<sup>33</sup> Para 197 (i)(a) of Manual of Treasury Accounts Department (Volume-I)

*It was also observed that there was non-reconciliation of 57 per cent (₹53,884 crore) of the total expenditure and 52 per cent (₹39,360 crore) of the total receipts with the books of Accountant General (A&E) during the year indicating disregard of codal provisions and financial rules by the controlling officers. Similarly, 10,852 vouchers in support of payments made for an amount of ₹3,532 crore from the PAO/Treasuries were not received, which made the system vulnerable to the risk of misappropriation and fraud.*

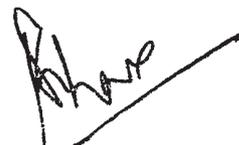
**Hyderabad**  
**The**



**(L. TOCHHAWNG)**

**Principal Accountant General (G&SSA)**  
**Andhra Pradesh and Telangana**

**Countersigned**



**(SHASHI KANT SHARMA)**

**Comptroller and Auditor General of India**

**New Delhi**  
**The**



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## **Appendices**

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**Appendix 1.1**  
**Profile of Telangana**  
**(Refer paragraph on State Profile; page 1)**

<b>A</b>		<b>General Data</b>			
<b>Sl. No.</b>	<b>Particulars</b>		<b>Figures</b>		
1	Area		1,12,077 sq. kms		
2	Population				
	a.	As per 2001 Census	-		
	b.	As per 2011 Census	3.52 crore		
3	a.	Density of Population (as per 2001 Census) (All India Density = 325 persons per Sq. km.)	270 persons per Sq.km		
	b.	Density of Population* (as per 2011 Census) (All India Density = 382 persons per Sq.km.)	312 persons per Sq.km.		
4	Population Below Poverty Line** (BPL) (All India Average=29.50 per cent)		-		
5	a.	Literacy (as per 2001 Census) (All India Average=64.86 per cent)	58 per cent		
	b.	Literacy (as per 2011 Census) (All India Average=73.00 per cent)	67 per cent		
6	Infant mortality**(per 1000 live births) (All India Average = 39 per 1,000 live births)		28		
7	Life Expectancy at birth*** (All India Average = 67.50 years)		-		
8	Gini Coefficient				
	a.	Rural (All India = 0.29)			
	b.	Urban (All India = 0.38)			
9	Gross State Domestic Product (GSDP) 2015-16 at current price		₹ 5,83,117 crore		
10	Per capita GSDP CAGR (2006-07 to 2015-16)		Telangana	NA	
			General Category States	14.27	
11	GSDP CAGR (2006-07 to 2015-16)		Telangana	NA	
			General Category States	15.75	
12	Population Growth**** (2006-07 to 2015-16)		Telangana	NA	
			General Category States	12.24	
<b>B</b>		<b>Financial Data</b>			
		Particulars			
		CAGR	2006-07 to 2014-15		2006-07 to 2015-16
			General Category States	Telangana	Telangana
		(in per cent)			
a.	of Revenue Receipts	14.74	NA	NA	
b.	of Own Tax Revenue	15.08	NA	NA	
c.	of Non -Tax Revenue	10.20	NA	NA	
d.	of Total Expenditure	16.71	NA	NA	
e.	of Capital Expenditure	13.21	NA	NA	
f.	of Revenue Expenditure on Education	17.08	NA	NA	
g.	of Revenue Expenditure on Health	18.70	NA	NA	
h.	of Salary and Wages	15.49	NA	NA	
i.	of Pension	18.59	NA	NA	

\* Census info India 2011 final population totals

\*\* Report of Expert Group (Rangarajan) to Review the methodology for Measurement of poverty, Planning Commission (June 2014)

\*\*\* Life Expectancy at birth, Economic Survey 2015-16.

\*\*\*\* Projected total population 2001-2026 by Census India.

## Appendix 1.2

### Structure of Government Accounts and layout of Finance Accounts (Refer paragraph 1.1; page 1)

#### Structure of Government Accounts

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

**Part I: Consolidated Fund:** All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

**Part II: Contingency Fund:** The Contingency Fund of the State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorization by Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, where upon the advances from the Contingency Fund are recouped to the Fund.

**Part III: Public Account:** Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

#### Layout of Finance Accounts

Statement No.	Layout
01	Statement of Financial Position
02	Statement of Receipts & Disbursements
	Annexure A- Cash Balances and Investment of Cash Balances
03	Statement of Receipts (Consolidated Fund)
04	Statement of Expenditure (Consolidated Fund)
05	Statement of Progressive Capital Expenditure
06	Statement of Borrowings and Other Liabilities
07	Statement of Loans & Advances given by the Government
08	Statement of the Investments of the Government
09	Statement of Guarantees given by the Government
10	Statement of Grants-in-aid given by the Government
11	Statement of Voted & Charged Expenditure
12	Statement of Sources & Application of Funds for Expenditure other than Revenue Account
13	Summary of Balances under Consolidated Fund, Contingency Fund & Public Account
	13A-Notes to Accounts
14	Detailed Statement of Revenue & Capital receipts by Minor heads
15	Detailed Statement of Revenue Expenditure by Minor heads
16	Detailed Statement of Capital Expenditure by Minor heads and Sub heads
17	Detailed Statement of Borrowings and Other Liabilities
18	Detailed Statement of Loans & Advances given by the Government
19	Detailed Statement of the Investments of the Government
20	Detailed Statement of Guarantees given by the Government
21	Detailed Statement of Contingency Fund & Other Public Account transactions
22	Detailed Statement of Investments of Earmarked Funds
Appendices	In addition to the above 22 statements Finance Accounts also contain 13 appendices giving the details on salaries, subsidies, grants-in-aid – scheme-wise and institution –wise, details of externally aided projects, scheme-wise expenditure in respect of major Central Schemes and State Plan Schemes etc.

**Appendix 1.3**  
**Abstract of Receipts and Disbursements in 2015-16**  
**(Refer paragraph 1.2; page 1)**

(₹ in crore)

Receipts			Disbursements				
	BE	2015-16		BE	2015-16		
				Total	Non Plan	Plan	Total
<b>Section-A: Revenue</b>							
<b>I. Revenue receipts</b>	<b>94,132</b>	<b>76,134</b>	<b>I. Revenue expenditure</b>	<b>93,600</b>	<b>54,656</b>	<b>21,240</b>	<b>75,896</b>
Tax revenue	46,495	39,975	<b>General Services</b>	<b>23,953</b>	<b>23,146</b>	<b>101</b>	<b>23,247</b>
			<b>Social Services</b>	<b>40,231</b>	<b>15,386</b>	<b>15,080</b>	<b>30,466</b>
Non-tax revenue	22,414	14,414	Education, Sports, Art and Culture	11,153	8,822	1,647	10,469
			Health and Family Welfare	4,520	2,371	1,284	3,655
State's share of Union Taxes	12,823	12,351	Water Supply, Sanitation, Housing and Urban Development	7,923	1,150	2,032	3,182
Non-Plan grants	5,903	2,978	Information and Broadcasting	166	75	174	249
Grants for State Plan Schemes	6,497	5,826	Welfare of SCs, STs, OBCs and Minorities	7,447	1,092	3,461	4,553
Grants for Central and Centrally sponsored Plan Schemes	-	590	Labour and Labour Welfare	303	112	81	193
			Social Welfare and Nutrition	8,581	1,737	6,271	8,008
			Others	138	27	130	157
			<b>Economic Services</b>	<b>29,254</b>	<b>15,984</b>	<b>6,059</b>	<b>22,043</b>
			Agriculture and allied Activities	8,196	5,161	1,315	6,476
			Rural Development	7,042	1,885	2,864	4,749
			Irrigation and Flood Control	4,685	3,002	156	3,158
			Energy	6,315	4,394	46	4,440
			Industry and Minerals	1,322	127	738	865
			Transport	949	1,250	112	1,362
			Science, Technology and Environment	14	2	6	8
			General Economic Service	731	163	822	985
			<b>Grants-in-aid and Contributions</b>	<b>162</b>	<b>140</b>	<b>-</b>	<b>140</b>
<b>II. Revenue deficit carried over to Section B</b>	<b>-</b>	<b>-</b>	<b>II. Revenue Surplus carried over to Section B</b>	<b>531</b>	<b>-</b>	<b>-</b>	<b>238</b>
<b>Section-B: Others</b>							
<b>III. Opening Cash balance including Permanent Advances and Cash Balance Investment</b>	<b>6</b>	<b>5,195</b>	<b>III. Opening Overdraft from RBI</b>		-		
<b>IV. Miscellaneous Capital receipts</b>	<b>-</b>	<b>-</b>	<b>IV. Capital Outlay</b>	<b>15,982</b>	<b>-</b>	<b>13,590</b>	<b>13,590</b>
			<b>General Services</b>	<b>584</b>	<b>-</b>	<b>274</b>	<b>274</b>
			<b>Social Services</b>	<b>1,982</b>	<b>-</b>	<b>2,152</b>	<b>2,152</b>
			Education, Sports, Art and Culture	346	-	134	134
			Health and Family Welfare	678	-	104	104
			Water Supply, Sanitation, Housing and Urban Development	168	-	1524	1,524
			Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	695	-	346	346
			Social Welfare and Nutrition	94	-	37	37
			Others	1	-	7	7

Receipts			Disbursements				
	BE	2015-16		BE	2015-16		
			<b>Economic Services</b>	<b>13,416</b>	-	<b>11,164</b>	<b>11,164</b>
			Agriculture and allied Activities	518	-	151	151
			Rural Development Programme	-	-	350	350
			Irrigation and Flood Control	6,999	-	7,776	7,776
			Energy	1,006	-	524	524
			Industry and Minerals	7	-	1	1
			Transport	4,286	-	1,738	1,738
			General Economic Services	600	-	624	624
<b>V. Recoveries of Loans and Advances</b>	<b>875</b>	<b>88</b>	<b>V. Loans and Advances disbursed</b>	<b>2,393</b>	<b>5233</b>	<b>-</b>	<b>5233</b>
From Power Projects	18	34	For Power Projects	190	274	-	274
From Government Servants	36	50	To Government Servants	128	93	-	93
From others	821	4	To Others	2,075	4866	-	4,866
<b>VI. Revenue surplus brought down</b>	<b>531</b>	<b>238</b>	<b>VI. Revenue deficit brought down</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Public Debt receipts</b>	<b>19,630</b>	<b>17,498</b>	<b>VII. Repayment of Public Debt</b>	<b>3,714</b>	<b>-</b>	<b>-</b>	<b>2845</b>
Internal Debt other than Ways and Means Advances and Overdraft	18,830	16,577	Internal debt other than Ways and Means Advances and Overdraft	3,267	2694	-	2,694
Net transactions of Ways and Means Advances including Overdraft	-	0	Net transactions of Ways and Means Advances including Overdraft	-	-	-	-
Loans and Advances from Central Government	800	921	Repayment of Loans and Advances to Central Government	447	151	-	151
<b>VIII. Net of Inter-State Settlement</b>	<b>-</b>	<b>-</b>	<b>VIII. Net of Inter-State Settlement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359</b>
<b>IX. Appropriation to Contingency Fund</b>	<b>-</b>	<b>-</b>	<b>IX. Appropriation to Contingency Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. Amount recouped to Contingency Fund</b>	<b>-</b>	<b>-</b>	<b>X. Expenditure from Contingency Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. Public Account Receipt</b>	<b>3,4407</b>	<b>86,385</b>	<b>XI. Public Account disbursements</b>	<b>33,358</b>	<b>-</b>	<b>-</b>	<b>80,909</b>
Small Savings and Provident Funds	2,000	2,101	Small Savings and Provident Funds	1,700	-	-	1,239
Net Reserve Funds	1,929	1,788	Net Reserve Funds	1,481	-	-	662
Net Suspense and Miscellaneous	-	26,458	Net Suspense and Miscellaneous	-	-	-	25,053
Remittances	-	16,198	Remittances	-	-	-	16,336
Deposits and Advances	30,478	39,840	Deposits and Advances	30,177	-	-	37,619
<b>XII. Closing Overdraft from Reserve Bank of India</b>	<b>-</b>	<b>-</b>	<b>XII. Closing Cash Balance</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>6,468</b>
			Cash in Treasuries and Local Remittances	-	-	2	
			Deposits with Reserve Bank and other Banks	-	-	4	
			Departmental cash balance including permanent advances	-	-	-	
			Cash balance investment and investment of earmarked funds	-	-	6,462	
<b>Total</b>	<b>1,49,581</b>	<b>1,85,538</b>	<b>Total</b>	<b>1,49,581</b>			<b>1,85,538</b>

**Appendix 1.4**  
**Actuals vis-à-vis Budget Estimates 2015-16**  
**(Refer paragraph 1.3; page 3)**

(₹ in crore)

	B.E.	Actuals	Increase(+)/ Decrease(-)	Increase(+)/ Decrease(-) (in per cent)
1	2	3	4 (3-2)	5
<b>Revenue Receipts</b>	<b>94,132</b>	<b>76,134</b>	<b>-17,998</b>	<b>-19.12</b>
Taxes on Sales, Trade etc.	35,463	29,847	-5,616	-15.84
State Excise	3,916	3,809	-107	-2.73
Taxes on immovable property other than agricultural lands	67	0	-67	-100.00
Taxes on vehicles	2,500	2,309	-191	-7.64
Stamps and Registration fees	3,700	3,102	-598	-16.16
Taxes on goods and Passengers	9	34	25	277.78
Land Revenue	13	104	91	700.00
Interest Receipts	2,794	2,878	84	3.01
Miscellaneous General Services	13,518	4,677	-8,841	-65.40
Non-ferrous Mining and Metallurgical Industries	3,300	2,213	-1,087	-32.94
<b>Revenue Expenditure</b>	<b>93,600</b>	<b>75,896</b>	<b>-17,704</b>	<b>-18.91</b>
General Education	10,535	9,812	-723	-6.86
Water Supply and Sanitation	4,793	874	-3,919	-81.77
Pension and Other Retirement Benefits	8,236	8,217	-19	-0.23
Police	3,692	4,148	456	12.35
Welfare of SCs, STs, OBCs and Minorities	7,447	4,553	-2,894	-38.86
Health and Family Welfare	4,520	3,655	-865	-19.14
Social Welfare and Nutrition	8,581	8,008	-573	-6.68
Roads and Bridges	826	1,247	421	50.97
Secretariat - Economic Services	467	751	284	60.81
Forestry and Wild Life	640	394	-246	-38.44
Rural Development	7,042	4,749	-2,293	-32.56
Urban Development	2,082	1,693	-389	-18.68
Irrigation and Flood Control	4,685	3,158	-1,527	-32.59
District Administration	956	665	-291	-30.44
Administration of Justice	775	476	-299	-38.58
Interest Payments	7,555	7,558	3	0.04
Power	6,074	4,416	-1,658	-27.30
<b>Capital Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Capital Expenditure</b>	<b>15,983</b>	<b>13,590</b>	<b>-2,393</b>	<b>-14.97</b>
<b>Revenue Surplus(+)/Deficit(-)</b>	<b>531</b>	<b>238</b>	<b>-293</b>	<b>-55.18</b>
<b>Fiscal deficit (-)</b>	<b>-16,969</b>	<b>-18,856</b>	<b>-1,887</b>	<b>11.12</b>
<b>Primary Surplus(+)/Deficit(-)</b>	<b>-9,414</b>	<b>-11,298</b>	<b>-1,884</b>	<b>20.01</b>

**Appendix 1.5**  
**Fiscal Responsibility and Budget Management (FRBM) Act, 2005**  
**(Refer Paragraph 1.4; page 3)**

The State Government has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005 to ensure prudence in fiscal management and to maintain fiscal stability in the State. To improve the fiscal position and to bring fiscal stability, the Act envisages progressive elimination of revenue deficit, reduction in fiscal deficit and prudent debt management consistent with fiscal sustainability. To ensure fiscal prudence, the Act also provides for greater fiscal transparency in fiscal operations of the Government and conduct of fiscal policy in a medium term framework. To give effect to the fiscal management principles as laid down in the Act, and/or the rules framed there-under prescribed the following fiscal targets for the State Government:

- reduce revenue deficit by an amount equivalent to at least 0.32 percentage points of Gross State Domestic Product (GSDP) in each financial year, beginning from 1st day of April 2005, so as to eliminate it by 31st March 2009 and generate revenue surplus thereafter
- reduce fiscal deficit by an amount equivalent to at least 0.25 percentage points of GSDP in each financial year beginning from 1st day of April 2005 so as to bring it down to not more than 3 per cent by the year ending March 2009

*The Government of Telangana is yet to adopt FRBM Act, in pursuance of the recommendations of the 14<sup>th</sup> Finance Commission, the targets for total outstanding liabilities/GSDP for the five years Award period from 2015-16 are detailed below:*

For the financial year 2015-16	21.55 per cent of GSDP
For the financial year 2016-17	22.23 per cent of GSDP
For the financial year 2017-18	22.82 per cent of GSDP
For the financial year 2018-19	23.33 per cent of GSDP
For the financial year 2019-20	23.77 per cent of GSDP

- Limit the amount of annual incremental risk weighted guarantees to 90 per cent of the total revenue receipt in the year preceding the current year.

**Appendix 1.6**  
**Time Series Data on State Government Finances**  
**(Refer paragraph 1.6; page 5)**

		(₹ in crore)	
		2014-15	2015-16
<b>Part A. Receipts</b>			
1	<b>Revenue Receipts</b>	<b>51,042(99.85)</b>	<b>76,134(99.88)</b>
	<b>(i) Tax Revenue</b>	<b>29,288(57.38)</b>	<b>39,975(52.51)</b>
	Taxes on Sales, Trade, etc.	22,121(75.53)	29,847(74.66)
	State Excise	2,808(9.59)	3,809(9.53)
	Taxes on Vehicles	1,618(5.52)	2,309(5.78)
	Stamps and Registration fees	2,177(7.43)	3,102(7.76)
	Land Revenue	9(0.03)	104(0.26)
	Other Taxes	555(1.89)	804(2.01)
	<b>(ii) Non-Tax Revenue</b>	<b>6,447(12.63)</b>	<b>14,414(18.93)</b>
	<b>(iii) State's share in Union taxes and duties</b>	<b>8,189(16.04)</b>	<b>12,351(16.22)</b>
	<b>(iv) Grants in aid from GoI</b>	<b>7,118(13.95)</b>	<b>9,394(12.34)</b>
2	Misc. Capital Receipts	0(0)	0(0)
3	Recovery of loans and advances	77(0.15)	88(0.12)
4	<b>Total revenue and Non-debt capital receipts (1+2+3)</b>	<b>51,119(84.22)</b>	<b>76,222(81.33)</b>

		2014-15	2015-16
5	<b>Public Debt Receipts</b>	<b>9,580(15.78)</b>	<b>17,498(18.67)</b>
	Internal Debt (excluding Ways and Means Advances and Overdraft)	9,494(99.10)	16,465(94.10)
	Ways and Means Advances and Overdraft	0(0)	112(0.64)
	Loans and Advances from Government of India	86(0.90)	921(5.26)
6	<b>Total Receipts in the Consolidated Fund (4+5)</b>	<b>60,699(21.41)</b>	<b>93,720(52.04)</b>
7	<b>Contingency Fund receipts</b>	<b>50(0.02)</b>	<b>0(0)</b>
8	<b>Public Account receipts</b>	<b>2,22,579(78.56)</b>	<b>86,385(47.96)</b>
9	<b>Total Receipts of Government (6+7+8)</b>	<b>2,83,328</b>	<b>1,80,105(0)</b>
<b>Part B. Expenditure/Disbursement</b>			
10	<b>Revenue Expenditure</b>	<b>50,673(83.72)</b>	<b>75,896(79.82)</b>
	Plan	14,063(27.75)	21,240(27.99)
	Non-plan	36,610(72.25)	54,656(72.01)
	General Services (including interest payments)	14,164(27.95)	23,247(30.63)
	Social Services	18,753(37.01)	30,466(40.14)
	Economic Services	17,644(34.82)	22,043(29.04)
	Grant in aid and contributions	112(0.22)	140(0.18)
11	<b>Capital Expenditure</b>	<b>8,373(13.83)</b>	<b>13,590(14.29)</b>
	Plan	8,373(100.00)	13,590(100)
	Non-plan	0(0)	0(0)
	General Services	406(4.85)	274(2.02)
	Social Services	905(10.81)	2,152(15.84)
	Economic Services	7062(84.34)	11,164(82.14)
12	<b>Disbursement of Loans and Advances</b>	<b>1,483(2.45)</b>	<b>5,233(5.50)</b>
13	<b>Net of Inter-State Settlement</b>	<b>0</b>	<b>359</b>
14	<b>Total (10+11+12+13)</b>	<b>60,529</b>	<b>95,078</b>
15	<b>Repayment of Public Debt</b>	<b>1,727(2.77)</b>	<b>2,845(2.91)</b>
	Internal Debt (excluding Ways and Means Advances and Overdraft)	1,727(100.00)	2,582(90.76)
	Ways and Means Advances and Overdraft	0(0)	112(3.93)
	Loans and Advances from Government of India	0(0)	151(5.31)
16	<b>Appropriation to Contingency Fund</b>	<b>50(0.08)</b>	<b>0(0)</b>
17	<b>Total disbursement out of Consolidated Fund (14+15+16)</b>	<b>62,306(78.54)</b>	<b>97,923(54.76)</b>
18	<b>Contingency Fund Disbursements</b>	<b>0(0)</b>	<b>0(0)</b>
19	<b>Public account disbursement</b>	<b>2,20,971(78)</b>	<b>80,909(45.24)</b>
20	<b>Total disbursement by the state (17+18+19)</b>	<b>2,83,277</b>	<b>1,78,832</b>
<b>Part C. Deficits</b>			
21	<b>Revenue Deficit(-)/Surplus(+)</b> (1-10)	<b>369</b>	<b>238</b>
22	<b>Fiscal Deficit(-)/Surplus (+)</b> (4-14)	<b>-9,410</b>	<b>-18,856</b>
23	<b>Primary Deficit (-)/Surplus (+)</b> (22-24)	<b>-4,183</b>	<b>-11,298</b>
<b>Part D. Other Data</b>			
24	<b>Interest Payments (included in revenue expenditure)</b>	<b>5,227</b>	<b>7,558</b>
25	<b>Financial Assistance to local bodies etc.</b>	<b>20963</b>	<b>29,058</b>
26	<b>Ways and Means Advances/Overdraft availed (days)</b>	<b>0</b>	<b>4</b>
27	<b>Interest on Ways and Means Advances/Overdraft</b>	<b>0</b>	<b>0.04</b>

		2014-15	2015-16
28	<b>Gross State Domestic Product (GSDP)#</b>	<b>5,22,001 (SRE)</b>	<b>5,83,117 (AE)</b>
29	<b>Outstanding fiscal liabilities (year-end)@</b>	<b>79,880</b>	<b>97,992</b>
30	<b>Outstanding guarantees (year-end)</b>	<b>18,265</b>	<b>26,619</b>
31	<b>Maximum amount guaranteed (yearend)</b>	<b>21,240</b>	<b>28,094</b>
32	<b>Number of incomplete projects^</b>	<b>109</b>	<b>23<sup>s</sup></b>
33	<b>Capital blocked in incomplete projects^</b>	<b>33,001</b>	<b>24,224<sup>s</sup></b>
<b>Part E. Fiscal Health Indicators</b>			
I	<b>Resource Mobilization</b>		
	Own Tax revenue/GSDP	0.068	6.855
	Own Non-Tax revenue/GSDP	0.015	2.472
	Central transfers/GSDP	0.036	0.037
II	<b>Expenditure Management</b>		
	Total expenditure/GSDP	0.141	0.163
	Total Expenditure/Revenue Receipts	1.186	1.249
	Revenue Expenditure/ Total Expenditure	0.837	0.798
	Expenditure on Social Services/Total Expenditure	0.344	0.393
	Expenditure on Economic Services/Total Expenditure	0.413	0.353
	Capital Expenditure/Total Expenditure	0.138	0.143
	Capital Expenditure on Social and Economic Services/ Total Expenditure	0.132	0.140
III	<b>Management of Fiscal Imbalances</b>		
	Revenue Deficit (surplus)/GSDP	0.001	0.0004
	Fiscal Deficit/ GSDP	-0.022	-0.032
	Primary Deficit/ GSDP	-0.01	-0.019
	Revenue Surplus/Fiscal Deficit	-0.039	-0.013
IV	<b>Management of Fiscal Liabilities</b>		
	Fiscal liabilities/ GSDP	0.186	0.168
	Fiscal liabilities/RR	1.564	1.287
	Primary deficit <i>vis-à-vis</i> quantum spread	NA	NA
	Debt Redemption: (Principal + Interest)/Total Debt Receipts	0.734	0.594
V	<b>Other Fiscal Health Indicators</b>		
	Return on Investment	35.08	5.19
	Balance from Current Revenue	-	
	Financial Assets/Liabilities	0.198	0.351

**Note:** Figures in brackets represent percentages (rounded) to total of each sub-heading; NA: Not Applicable

# GSDP data from Directorate of Economics and Statistics, Government of Telangana

@Nomenclature and its components were changed so as to show total liabilities of Government (i.e. Public debt and other obligations) as per revised format of Chapter-I.

^ The information is not exhaustive but is as furnished by the Departmental authorities

<sup>s</sup> Departmental information

**Appendix 1.7**  
**List of Incomplete Irrigation Projects**  
**(Refer paragraph 1.11.2; page 18)**

(₹ in crore)

Sl. No.	Name of the project	Year of commencement	Due Date for Completion	Original cost	Revised cost	Expenditure as on 31 March 2016
1	Aliminety Madhava Reddy incl. SLBC Tunnel & LIS on Udayasamudram Bal. Reservoir	2005	2012	3865	6347.88	5217.04
2	Mahatma Gandhi - Kalwakurthy LIS	2005	2015	1500	5072.73	2972.59
3	Rajiv Bhima LIS	2005	2016	1426.31	2686.31	2094.67
4	Jawahar Nettempadu LIS	2005	2009	1428	2404.22	1888.43
5	Koilsagar LIS	2005	2014	109.52	708.17	408.78
6	SRSP-II	2005	2007	830.75	1043.14	940.66
7	Indiramma Flood Flow Canal from SRSP	1997	2012	2466	4729.26	4234.70
8	Sripadasagar – Yellampally LIS	2005	2011	3177.74	4876.36	4322.04
9	Kaleshwaram LIS	2008	2012	443	632.00	293.24
10	M. Bagareddy Singur Canals: Singur Project Canals	2006	2008	88.99	121.67	105.88
11	Gollavagu Project	2005	2007	83.61	96.61	87.08
12	Peddavagu Project	2005	2007	124.64	163.78	99.18
13	Sri Komaram Bheem Project	2005	2007	274.14	902.21	473.29
14	Mathadivagu	2005	2007	59.00	62.00	55.00
15	Choutapally Hanumantha Reddy LIS	2005	2006	55.5	75.14	67.47
16	Lendi Interstate Project	2007	2009	202.19	263.89	224.29
<b>Total</b>				<b>16134.20</b>	<b>30185.37</b>	<b>23397.26</b>

Source: Departmental information

**Appendix 1.8**  
**Summarized financial position of the Government of Telangana as on 31 March 2016**  
**(Refer paragraphs 1.12.1 & 1.12.2; page 21 & 22)**

(₹ in crore)

Liabilities	As on 31 March 2016	
<b>Internal Debt</b>		<b>83,771.63</b>
Market Loans bearing interest	69,129.87	
Market Loans not bearing interest	0.24	
Market Loans Suspense	-	
Loans from LIC	113.09	
Loans from GIC	24.91	
Loans from NABARD	2,754.35	
Loans from other Institutions	477.30	
Special sanction issued to National Small Savings Fund	11,271.87	
Ways and Means Advances	-	
Overdraft from Reserve Bank of India	-	
<b>Loans and Advances from Central Government</b>		<b>8,213.39</b>

<b>Liabilities</b>	<b>As on 31 March 2016</b>	
Pre 1984-85 Loans	-	
Non-Plan Loans	29.21	
Loans for State Plan Schemes	8,184.18	
Loans for Central Plan Schemes	-	
Loans for Centrally Sponsored Plan Schemes	-	
Other Ways and Means Advances	-	
<b>Contingency Fund</b>		<b>50</b>
<b>Small Savings, Provident Funds, etc.</b>		<b>1,130.14</b>
<b>Deposits</b>		<b>4,366.37</b>
<b>Reserve Funds</b>		<b>4,469.01</b>
<b>Suspense and Miscellaneous Balances</b>		<b>936</b>
Remittance Balances		0
<b>Total</b>		<b>1,02,936.54</b>
Assets		
<b>Gross Capital Outlay on Fixed Assets</b>		<b>21,963.33</b>
Investments in shares of Companies, Corporations, Cooperatives, etc.	1328.55	
Other Capital Outlay	20,634.78	
<b>Loans and Advances</b>		<b>6,551.58</b>
Loans for Power Projects	0	
Other Development Loans	6,498.77	
Loans to Government servants and Miscellaneous loans	52.81	
<b>Advances</b>		<b>-13.83</b>
<b>Remittance Balances</b>		<b>1,132.60</b>
<b>Suspense and Miscellaneous Balances</b>		<b>0</b>
<b>Cash</b>		<b>6,468.06</b>
Cash in Treasuries and Local Remittances	2.07	
Deposits with Reserve Bank and other Banks	3.53	
Departmental Cash Balance	0.27	
Cash Balance Investments	2,503.94	
Investment of Earmarked funds	3,958.25	
<b>Deficit on Government Account</b>		<b>66,834.80</b>
<b>Total</b>		<b>1,02,936.54</b>

**Appendix 1.9**  
**Summarized position of Apportionment of balances between Andhra Pradesh and Telangana**  
**as on 31 March 2016**  
**(Refer paragraph 1.12.4 & 1.15; page 23 & 27)**

(₹ in crore)

SI No	Head of Account	Balance as on 01 June 2014	Balance allocated to Telangana	Balance allocated to Andhra Pradesh	Balance yet to be apportioned as on 31 March 2016
1	Capital Heads	1,51,349.67	0	0	1,51,349.67
2	Public Debt	1,66,522.32	69,479.48	97,123.93	-81.09
3	Loans and Advances	28,099.69	0	0	28,099.69
4	Small Savings, Provident Funds	14,077.84	0	0	14,077.84
5	Reserve Funds	2,459.06	37.80	52.89	2,368.37
6	Deposits and Advances	17,082.77	0	0	17,082.77
7	Suspense and Miscellaneous	6,234.24	2,539.69	3,553.61	140.94
8	Remittances	339.47	0	0	339.47

**Appendix 2.1**  
**Excess over provision of previous year requiring regularisation**  
**(Refer Paragraph 2.4.3; Page 32)**

(₹ in crore)

Year	Number of Grants/ Appropriations	Section	Grant/ Appropriation numbers	Amount of Excess	Stage of consideration by Public Accounts Committee (PAC)
2014-15	5 Grants	Capital	XXV, XXVIII & XXXIII	294.98	Explanatory Notes for 5 Grants and 1 Appropriation are awaited from the Administration Departments/ Finance Department for vetting by the PAG (GSSA)
	1 Appropriation	Loans	XI & XVIII	7.25	
		Revenue	I	1.42	
<b>Total</b>				<b>303.65</b>	

**Appendix 2.2**  
**Statement of Grants/Appropriations where saving was more than ₹ 100 crore each and more than 20 per cent of the total provision**  
**(Refer paragraph 2.4.4; page 32)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant	Expenditure	Saving	In per cent
<b>Revenue Voted</b>						
1.	III	Administration of Justice	620.66	335.07	285.58	46.01
2.	XI	Roads, Buildings and Ports	1,033.74	824.81	208.93	20.21
3.	XIII	Higher Education	1,682.95	1,176.65	506.30	30.08
4.	XXVI	Medical and Health	4,587.26	3,191.05	1,396.21	30.44
5.	XXVII	Municipal Administration and Urban Development	3,237.32	1,950.64	1,286.68	39.75
6.	XXVIII	Housing	1,105.86	576.70	529.16	47.85
7.	XXI	Social Welfare	6,215.05	2,664.32	3,550.73	57.13
8.	XXII	Tribal Welfare	3,419.27	1,997.61	1,421.67	41.58
9.	XXIII	Backward Classes Welfare	1,938.10	1,066.11	872.00	44.99
10.	XXIV	Minority Welfare	1,104.77	548.13	556.64	50.39
11.	XXV	Women, Child and Disabled Welfare	1,502.93	1,091.06	411.87	27.40
12.	XXVII	Agriculture	6,796.56	5,429.99	1,366.57	20.11
13.	XXVIII	Animal Husbandry and Fisheries	743.19	519.23	223.96	30.13
14.	XXIX	Forest, Science, Technology and Environment	562.74	364.64	198.10	35.20
15.	XXXI	Panchayat Raj	9,195.59	4,227.26	4,968.33	54.03
16.	XXXII	Rural Development	7,038.77	5,610.97	1,427.79	20.28
17.	XXXIV	Minor Irrigation	1,450.36	74.82	1,375.54	94.84
18.	XXXV	Energy	6,237.82	4,397.81	1,840.01	29.50
19.	XXXVI	Industries and Commerce	1,254.23	771.63	482.60	38.48
20.	XXXVIII	Civil Supplies Administration	2,421.71	1,000.13	1,421.57	58.70
<b>Capital Voted</b>						
1	X	Home Administration	507.27	219.80	287.47	56.67
2	XI	Roads, Buildings and Ports	5,126.24	2,004.33	3,121.91	60.90
3	XVI	Medical and Health	678.18	103.68	574.50	84.71
4	XXI	Social Welfare	503.03	272.01	231.02	45.93

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant	Expenditure	Saving	In per cent
5	XXII	Tribal Welfare	392.49	151.23	241.26	61.47
6	XXIII	Backward Classes Welfare	234.97	7.88	227.10	96.65
7	XXVII	Agriculture	650.75	124.43	526.32	80.88
8	XXXI	Panchayat Raj	2,944.29	1,823.08	1,121.21	38.08
9	XXXIII	Major and Medium Irrigation	10,159.62	6,416.13	3,743.49	36.85
10	XXXIV	Minor Irrigation	2,338.17	1,291.51	1,046.66	44.76
11	XXXV	Energy	2,001.16	523.59	1,477.57	73.84
12	XXXVII	Tourism, Art and Culture	123.50	8.00	115.50	93.53
<b>Loans Voted</b>						
13	XI	Roads, Buildings and Ports	258.56	81.10	177.46	68.63
<b>Public Debt Charged</b>						
14	IX	Fiscal Administration, Planning, Surveys and Statistics	3,867.44	2,845.24	1,022.20	26.43
<b>Total</b>			<b>91,934.55</b>	<b>53,690.64</b>	<b>38,243.91</b>	<b>41.60</b>

**Appendix 2.3**  
**Cases where Supplementary grant proved unnecessary**  
**by rupees one crore or more in each case**  
**(Refer paragraph 2.4.5; page 33)**

(₹ in crore)

Sl. No.	Number and Name of the Grant/Appropriation	Original Provision	Actual Expenditure	Saving out of original provision	Supplementary grant
<b>Revenue Voted</b>					
1	III - Administration of Justice	608.57	335.07	273.50	12.09
2	VI - Excise Administration	256.55	242.51	14.04	35.71
3	VII - Commercial Taxes Administration	390.49	306.58	83.91	11.77
4	XI - Roads, Buildings and Ports	1,020.89	824.81	196.08	12.86
5	XII - School Education	9,044.17	8,960.47	83.70	944.41
6	XIII - Higher Education	1,567.98	1,176.65	391.33	114.97
7	XIV - Technical Education	416.75	416.44	0.30	78.15
8	XV - Sports and Youth Services	106.82	86.01	20.81	10.51
9	XVI - Medical and Health	4,225.86	3,191.05	1,034.81	361.40
10	XVII - Municipal Administration and Urban Development	2,302.51	1,950.64	351.87	934.81
11	XVIII - Housing	833.63	576.70	256.93	272.23
12	XXI - Social Welfare	5,892.46	2,664.32	3,228.14	322.58
13	XXII - Tribal Welfare	3,027.49	1,997.61	1,029.88	391.78
14	XXIV - Minority Welfare	1,033.70	548.13	485.58	71.06
15	XXV - Women, Child and Disabled Welfare	1,465.16	1,091.06	374.10	37.77
16	XXVII - Agriculture	6,532.44	5,429.99	1,102.45	264.12
17	XXVIII - Animal Husbandry and Fisheries	639.77	519.23	120.54	103.42
18	XXIX - Forest, Science, Technology and Environment	553.70	364.64	189.06	9.04

Sl. No.	Number and Name of the Grant/Appropriation	Original Provision	Actual Expenditure	Saving out of original provision	Supplementary grant
19	XXX - Cooperation	194.25	109.58	84.67	1.90
20	XXXI - Panchayat Raj	7,532.22	4,227.26	3,304.96	1,663.37
21	XXXII - Rural Development	6,256.69	5,610.97	645.72	782.08
22	XXXIII - Major and Medium Irrigation	3,279.33	3,127.69	151.63	17.65
23	XXXV - Energy	6,208.82	4,397.81	1,811.00	29.01
24	XXXVI - Industries and Commerce	969.99	771.63	198.35	284.24
25	XXXVIII - Civil Supplies Administration	2,385.22	1,000.13	1,385.09	36.48
26	XXXIX-Information Technology and Communications	133.12	86.58	46.53	12.23
<b>Revenue Charged</b>					
27	V - Revenue, Registration and Relief	161.59	132.50	29.10	12.00
<b>Capital Voted</b>					
28	V - Revenue, Registration and Relief	28.84	6.53	22.31	20.00
29	VII - Commercial Taxes Administration	13.00	7.27	5.73	9.03
30	X - Home Administration	315.86	219.80	96.05	191.41
31	XI - Roads, Buildings and Ports	4,711.98	2,004.33	2,707.65	414.26
32	XIV - Technical Education	92.48	39.71	52.77	5.72
33	XXII - Tribal Welfare	277.33	151.23	126.10	115.16
34	XXVII - Agriculture	453.02	124.43	328.59	197.73
35	XXXV - Energy	1,001.16	523.59	477.57	1,000.00
36	XXXVI - Industries and Commerce	3.75	0.12	3.63	1.75
37	XXXVII – Tourism, Art and Culture	113.50	8.00	105.50	10.00
<b>Loans Voted</b>					
38	IX Fiscal Administration, Planning, Surveys and Statistics	3,714.37	2,845.24	869.13	153.07
<b>Total</b>		<b>77,765.46</b>	<b>56,076.32</b>	<b>21,689.14</b>	<b>8,945.76</b>

**Appendix 2.3 (a)**  
**Cases where Supplementary grant proved excessive**  
**by rupees one crore or more in each case**  
**(Refer paragraph 2.4.5; page 33)**

(₹ in crore)

Sl. No	Number and Name of the Grant and Section	Section	Original	Supplementary	Total grant	Expenditure	Saving
1	IV - General Administration and Elections	RV	225.68	71.88	297.56	239.39	58.17
2	IX - Fiscal Administration, Planning, Surveys and Statistics	RC	7,555.47	8.43	7,563.90	7,557.69	6.21
3	IX - Fiscal Administration, Planning, Surveys and Statistics	CV	476.10	104.83	580.93	526.12	54.81
4	XI - Roads, Buildings and Ports	CC	0.00	4.96	4.96	4.35	0.61
5	XII - School Education	CV	10.33	70.62	80.94	26.84	54.10
6	XVII - Municipal Administration and Urban Development	LV	1,721.33	1,564.70	3,286.03	2,842.96	443.07
7	XVIII - Housing	CV	0.00	56.57	56.57	18.54	38.03
8	XIX - Information and Public Relations	RV	166.18	113.87	280.04	249.30	30.74
9	XX - Labour and Employment	RV	449.39	69.26	518.64	509.95	8.70
10	XXI - Social Welfare	CV	261.45	241.58	503.03	272.01	231.02
11	XXVI - Administration of Religious Endowments	RV	37.12	13.06	50.18	37.67	12.51
12	XXX - Cooperation	CV	0.00	2.51	2.51	2.47	0.03
13	XXXI - Panchayat Raj	CV	45.27	2,899.02	2,944.29	1,823.08	1,121.21
14	XXXIII - Major and Medium Irrigation	CV	6,168.27	3,991.36	10,159.62	6,416.13	3,743.49
15	XXXIII - Major and Medium Irrigation	CC	53.57	37.43	91.01	68.50	22.51
16	XXXIV - Minor Irrigation	CV	776.40	1,561.77	2,338.17	1,291.51	1,046.66
17	XXXV - Energy	LV	190.00	100.90	290.90	273.92	16.99
18	XXXVII - Tourism Art and Culture	RV	103.73	69.67	173.40	141.95	31.45
<b>Total</b>			<b>18,240.28</b>	<b>10,982.41</b>	<b>29,222.69</b>	<b>22,302.39</b>	<b>6,920.30</b>

RV: Revenue Voted; CV: Capital Voted; LV: Loan Voted; RC: Revenue Charged; CC: Capital Charged

**Appendix 2.3 (b)**  
**Cases where Supplementary grant proved insufficient**  
**by rupees one crore or more in each case**  
**(Refer paragraph 2.4.5; page 33)**

(₹ in crore)

Number and Name of the Grant	Original Provision	Supplementary Grant	Total	Expenditure	Excess
<b>Revenue Voted</b>					
V - Revenue, Registration and Relief	1,657.97	555.53	2,213.49	2,309.63	96.14
IX - Fiscal Administration, Planning, Surveys and Statistics	9,532.56	403.94	9,936.49	14,871.43	4,934.94
X - Home Administration	3,974.53	110.89	4,085.41	4,413.72	328.30
<b>Capital Voted</b>					
XX - Labour and Employment	1.18	2.71	3.90	6.61	2.72
<b>Loan Voted</b>					
XVIII – Housing	40.01	1,707.17	1,747.18	1,932.24	185.06
<b>Total</b>	<b>15,206.24</b>	<b>2,780.24</b>	<b>17,986.48</b>	<b>23,533.63</b>	<b>5,547.15</b>

**Appendix 2.4**  
**Re-appropriation of funds (savings / excess more than ₹ 10 crore in each case)**  
**(Refer paragraph 2.4.6; page 34)**

(₹ in crore)

Sl. No.	Grant No.	Head of Account	Name of the Scheme	Re-appropriation	Final Excess (+)/ Saving(-)
<b>Inadequate re-appropriation</b>					
1	IX	2052-00-090-(33)	Godavari Pushkaralu	-88.61	-11.39
2	XVIII	4216-80-800-(05)	Indira Awas Yojana (IAY)	-0.25	-38.03
3	XXI	2235-02-789-(19)	Integrated Child Development Services Schemes	-50.13	-13.02
4	XXI	2401-00-789-(48)	Micro Irrigation	-15.44	-15.44
5	XXIII	2225-03-277-(08)	Financial Assistance to the Students of Telangana (FAST) -(RTF)	-91.40	-448.60
6	XXIV	2225-80-800-(21)	Assistance to Telangana Wakf Board	-6.88	-14.00
7	XXVII	2401-00-113-(08)	Farm Mechanization	-35.40	-37.25
8	XXVII	2401-00-119-(18)	Micro Irrigation	-25.22	-125.22
9	XXVII	2401-00-103-(09)	Supply of Seeds to Farmers	-18.14	-29.26
10	XXXI	2215-01-102-(31)	Water Grid	-2,908.95	-99.83
11	XXXI	2515-00-197-(04)	Assistance to Mandala Parishads	-18.04	-27.53
12	XXXIII	4700-01-167-(27)	Canals and Distributaries	-59.03	-1216.99
13	XXXIII	4700-01-167-(26)	Dam and Appurtenant Works	-53.40	-32.75
14	XXXIII	4700-01-159-(26)	Dam and Appurtenant Works	-40.98	-17.12
15	XXXIII	4711-01-103-(05)	Embankments	-1.46	-43.29
16	XXXIV	4702-00-101-(30)	Mission Kakatiya	-442.36	-14.00
<b>Total</b>				<b>-3,855.70</b>	<b>-2,183.71</b>

Sl. No.	Grant No.	Head of Account	Name of the Scheme	Re-appropriation	Final Excess (+)/ Saving(-)
<b>Unnecessary re-appropriation</b>					
17	VII	3604-00-103-(04)	Assignments to Local Authorities	-0.69	18.04
18	IX	2071-01-104-(14)	Gratuity -Allocable between Two Successor States	-332.40	464.74
19	IX	3451-00-092-(13)	District Innovation Fund	-233.89	233.89
20	X	2055-00-104-(01)	Headquarters Office (Special Protection Force)	-0.01	12.27
21	XII	2202-02-109-(05)	Upgradation of IASE/CTS	-11.43	108.79
22	XII	2236-02-101-(05)	Nutritious Meals Programme	-5.31	25.05
23	XXI	2217-80-789-(21)	Assistance to Municipalities under State Finance Commission	-61.76	30.88
24	XXI	2235-60-789-(26)	Aasara Pensions to Disabled Persons	-45.93	44.84
25	XXI	2210-01-789-(25)	Aarogya Sri Health Care Trust	-12.50	15.00
26	XXIX	2406-01-102-(13)	Afforestation Fund	-114.62	28.08
27	XXXI	3054-04-196-(12)	Assistance to Panchayat Raj Institutions for Maintenance of Rural Roads	-678.88	639.31
28	XXXI	2215-01-102-(05)	National Rural Drinking Water Programme (NRDWP)	-146.02	138.98
29	XXXI	2515-00-198-(08)	Assistance to Gram Panchayats	-45.69	10.51
30	XXXI	2215-01-796-(05)	National Rural Drinking Water Programme (NRDWP)	-11.10	10.23
31	XXXIII	4700-01-154-(26)	Dam and Appurtenant Works	-232.31	17.04
32	XXXIII	4700-01-145-(27)	Canals and Distributaries	-100.71	20.00
33	XXXVI	2408-01-103-(04)	National Mission on Food Processing (NMFP)	-13.50	13.50
<b>Total</b>				<b>-2,046.76</b>	<b>1,831.15</b>
<b>Excessive re-appropriation</b>					
34	III	2014-00-800-(06)	Contributions to the Telangana Advocates Welfare Fund out of the sale of Telangana Advocates Welfare Fund Stamps	0.01	-100.00
35	V	2245-02-121-(04)	Afforestation	27.53	-27.53
36	IX	6004-02-105-(01)	Consolidated Loans	232.78	-465.56
37	XVI	2210-03-103-(04)	Primary Health Centres	65.80	-196.22
38	XXII	2225-02-277-(08)	Financial Assistance to the students of Telangana (FAST)(Post)(MTF)	7.26	-40.07
39	XXXI	2215-02-191-(09)	Swachh Bharath Mission –Gramin (SBM-G)	13.88	-13.88
40	XXXI	2515-00-001-(05)	Chief Engineer (Panchayat Raj and General)	43.37	-38.50
41	XXXIII	4700-01-125-(26)	Dam and Appurtenant Works	3.62	-168.00
42	XXXIII	4700-01-125-(27)	Canals and Distributaries	13.19	-18.41
43	XXXIII	4700-01-800-(12)	Proejct Establishment under Chief Engineer, Mahabubnagar	24.56	-14.11
44	XXXIII	4700-01-101-(27)	Canals and Distributaries	45.96	-35.43
45	XXXIII	4700-01-154-(49)	Resettlement and Rehabilitation	45.06	-17.04
46	XXXIII	4700-01-107-(27)	Canals and Distributaries	45.48	-25.15
47	XXXIII	4700-01-145-(26)	Dam and Appurtenant Works	88.16	-103.00
<b>Total</b>				<b>656.67</b>	<b>-1,262.91</b>

Sl. No.	Grant No.	Head of Account	Name of the Scheme	Re-appropriation	Final Excess (+)/ Saving(-)
<b>Insufficient re-appropriation</b>					
48	V	2245-02-114-(04)	Assistance to Farmers for Purchase of Agricultural Inputs	50.00	100.00
49	V	2245-01-101-(09)	Supply of Seeds, Fertilisers and Agricultural Implements	61.76	15.58
50	V	2245-05-101-(04)	Transfer to Reserve Funds	300.72	83.74
51	IX	2071-01-101-(14)	Service Pensions -Allocable between the Two Successor States	55.95	165.93
52	X	2055-00-109-(04)	Office of the Commissioner of Cyberabad Police	0.71	55.48
53	X	2055-00-108-(05)	City Police Force	0.71	61.43
54	X	2055-00-104-(04)	Telangana Special Police Units	30.43	37.01
55	X	2055-00-109-(03)	District Police Force	39.85	169.73
56	XI	3054-04-797-(04)	Subvention from Central Road Fund	10.00	97.14
<b>Total</b>				<b>550.12</b>	<b>786.05</b>

**Appendix 2.5**  
**Substantial surrenders made during the year**  
**(Refer paragraph 2.4.8; Page 34)**

(₹ in crore)					
Sl No.	Grant No. & Name of the Grant	Name of the Scheme (Head of Account)	Budget	Amount Surrendered	Per cent to Budget
1	IX-Fiscal Administration, Planning, Surveys and Statistics	2049-01-107-(04)-Special Securities issued to Reserve Bank of India	880.00	880.00	100
Specific reasons for surrender of the entire provision have not been intimated					
2	IX-Fiscal Administration, Planning, Surveys and Statistics	3451-00-092-(13)-District Innovation Fund	233.89	233.89	100
Surrender was stated to be due to non-starting of works for want of administrative orders					
3	XVII-Municipal Administration and Urban Development	2217-80-191-(89)-Assistance to GHMC for improvement of roads	250.00	250.00	100
Specific reasons for surrender of the entire provision have not been intimated					
4	XXI-Social Welfare	2215-01-789-(31)-Water Grid	617.60	617.60	100
Specific reasons for surrender of the entire provision have not been intimated					
5	XXI-Social Welfare	2225-01-277-(35)-Assistance to Social Welfare Residential Educational Institutions Society for Residential School Complexes	241.58	241.58	100
Specific reasons for surrender of the entire provision have not been intimated					
6	XXI-Social Welfare	2515-00-789-(21)-Assistance to Panchayat Raj Institutions for Construction of Rural Roads	239.92	239.92	100
Specific reasons for surrender of the entire provision have not been intimated					
7	XXII-Tribal Welfare	2215-01-796-(31)-Water Grid	373.60	373.60	100
Specific reasons for surrender of the entire provision have not been intimated					

Sl No.	Grant No. & Name of the Grant	Name of the Scheme (Head of Account)	Budget	Amount Surrendered	Per cent to Budget
8	XXII-Tribal Welfare	2515-00-796-(21)-Assistance to Panchayat Raj Institutions	233.09	233.09	100
Specific reasons for surrender of the entire provision have not been intimated					
9	XXXIV-Minor Irrigation	2702-01-101-(04)-Restoration of Minor Irrigation Tanks	732.78	732.78	100
Specific reasons for surrender of the entire provision have not been intimated					
10	XXXIV-Minor Irrigation	2702-01-101-(05)-Minor Irrigation Works under RIDF	509.33	509.33	100
Specific reasons for surrender of the entire provision have not been intimated					
11	XXXV-Energy	2801-02-800-(02)-Assistance to TS GENCO for Power Generation	1,000.00	1,000.00	100
Specific reasons for surrender of the entire provision have not been intimated					
12	XXXIII-Major and Medium Irrigation	4711-03-103-(51)-Tribal Area Sub Plan (TSP)	224.00	223.66	100
Surrender of ₹ 100 crore was stated to be due to slow progress of work. Specific reasons for remaining decrease of ₹ 123.66 crore have not been intimated					
13	XI-Roads, Buildings and Ports	5054-04-800-(42)-Providing Double line Roads from Mandal to District Headquarters	1,000.00	944.84	94
Specific reasons for decrease in provision have not been intimated					
14	XXXI-Panchayat Raj	2215-01-102-(31)-Water Grid	3,080.83	2,908.95	94
Specific reasons for decrease in provision have not been intimated					
15	XXXI-Panchayat Raj	3054-04-196-(12)-Assistance to Panchayat Raj Institutions for Maintenance of Rural Roads	727.08	678.88	93
Reason for decrease in provision was stated to be non-starting of works for want of administrative orders					
16	XXXI-Panchayat Raj	2515-00-800-(14)-Construction of Roads and Bridges in Rural areas under Telangana Rural Development Fund (25%)	650.00	602.09	93
Reason for decrease in provision was stated to be non-starting of works for want of administrative orders					
<b>Total</b>			<b>10,993.70</b>	<b>10,670.20</b>	<b>97</b>

**Appendix 2.6**  
**Surrenders in excess of savings/excess (Rupees two crore more in each case)**  
**(Refer paragraph 2.4.10; page 35)**

(₹ in crore)

Sl. No.	Number and Name of the grant	Total grant	Expenditure	Excess(+)/ Savings(-)	Amount surrendered	Amount surrendered in excess
<b>Revenue Voted</b>						
1	I State Legislature	71.98	60.59	-11.39	20.48	9.08
2	IV General Administration and Elections	297.56	239.39	-58.17	61.00	2.84
3	V Revenue, Registration and Relief	2,213.49	2,309.63	96.14	69.31	69.31
4	VII Commercial Taxes Administration	402.26	306.58	-95.68	113.45	17.77
5	IX Fiscal Administration, Planning, Surveys and Statistics	9,936.49	14,871.43	4,934.94	501.56	501.56
6	X Home Administration	4,085.41	4,413.72	328.30	73.57	73.57
7	XI Roads, Buildings and Ports	1,033.74	824.81	-208.93	305.83	96.90
8	XII School Education	9,988.58	8,960.47	-1,028.11	1,163.91	135.80
9	XXI Social Welfare	6,215.05	2,664.32	-3,550.73	3,607.00	56.27
10	XXV Women, Child and Disabled Welfare	1,502.93	1,091.06	-411.87	418.98	7.10
11	XXIX Forest, Science, Technology and Environment	562.74	364.64	-198.10	226.18	28.09
12	XXXI Panchayat Raj	9,195.59	4,227.26	-4,968.33	5,533.15	564.82
13	XXXVI Industries and Commerce	1,254.23	771.63	-482.60	496.10	13.50
<b>Capital Voted</b>						
14	X Home Administration	507.27	219.80	-287.47	289.67	2.20
<b>Loans Voted</b>						
15	IX Fiscal Administration, Planning, Surveys and Statistics	128.71	451.21	322.50	36.17	36.17
<b>Capital -Charged</b>						
16	XXXIII Major and Medium Irrigation	91.01	68.50	-22.51	36.99	14.48
<b>Total</b>		<b>31,122.93</b>	<b>19,799.05</b>	<b>-11,323.88</b>	<b>12,272.73</b>	<b>948.85</b>

**Appendix 2.7**  
**Statement of grants/appropriations in which saving occurred**  
**but no part of which was surrendered**  
**(Refer paragraph 2.4.11; page 35)**

(₹ in crore)

Sl. No.	Grant No	Name of the Grant/Appropriation	Saving
<b>I Grants</b>			
1	IX	Fiscal Administration, Planning, Surveys and Statistics(CV)	54.81
2	X	Home Administration (LV)	17.96
3	XVI	Medical and Health(LV)	27.51
4	XVII	Municipal Administration and Urban Development(LV)	443.07
5	XVIII	Housing(CV)	38.03
6	XXXI	Panchayat Raj(CV)	1,121.21
<b>Total</b>			<b>1,702.59</b>

CV: Capital Voted; LV: Loans Voted

**Appendix 2.8**  
**Details of saving of rupees five crore and above not surrendered**  
**(Refer paragraph 2.4.11; page 35)**

(₹ in crore)

Sl. No.	Number and Name of the grant/appropriation	Saving	Surrender	Un surrendered saving
<b>Revenue Voted</b>				
1	III Administration of Justice	285.58	184.86	100.72
2	XVI Medical and Health	1,396.21	1,188.42	207.79
3	XVII Municipal Administration and Urban Development	1,286.68	1,216.11	70.57
4	XXII Tribal Welfare	1,421.67	1,381.11	40.56
5	XXIII Backward Classes Welfare	872.00	424.18	447.81
6	XXVII Agriculture	1,366.57	1,225.58	140.99
7	XXVIII Animal Husbandry and Fisheries	223.96	218.84	5.12
8	XXXII Rural Development	1,427.79	1,015.86	411.93
9	XXXIII Major and Medium Irrigation	169.28	146.87	22.42
<b>Capital Voted</b>				
10	V Revenue, Registration and Relief	42.31	32.31	10.00
11	IX Fiscal Administration, Planning, Surveys and Statistics	54.81	0.00	54.81
12	XI Roads, Buildings and Ports	3,121.91	2,990.19	131.72
13	XVI Medical and Health	574.50	510.33	64.16
14	XVIII Housing	38.03	0.00	38.03
15	XXVII Agriculture	526.32	474.00	52.32
16	XXXI Panchayat Raj	1,121.21	0.00	1,121.21
17	XXXIII Major and Medium Irrigation	3,743.49	1,942.91	1,800.58
18	XXXIV Minor Irrigation	1,046.66	1,034.99	11.67
<b>Loans Voted</b>				
19	X Home Administration	17.96	0.00	17.96
20	XI Roads, Buildings and Ports	177.46	56.93	120.53
21	XVI Medical and Health	27.51	0.00	27.51
22	XVII Municipal Administration and Urban Development	443.07	0.00	443.07
<b>Public Debt Charged</b>				
23	IX Fiscal Administration, Planning, Surveys and Statistics	1,022.20	556.64	465.56
<b>Total</b>		<b>20,407.18</b>	<b>14,600.14</b>	<b>5,807.04</b>

**Appendix 2.9**  
**Cases of surrender of funds in excess of ₹ 10 crore on 31 March 2016**  
**(Refer paragraph 2.4.11; page 35)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant	Amount of Surrender
1.	III	Administration of Justice (RV)	184.86
2.	III	Administration of Justice (RC)	41.04
3.	III	Administration of Justice (CV)	25.45
4.	IX	Fiscal Administration, Planning, Surveys and Statistics (RV)	208.90
5.	IX	Fiscal Administration, Planning, Surveys and Statistics (LV)	36.17
6.	IX	Fiscal Administration, Planning, Surveys and Statistics (PD)	556.64
7.	X	Home Administration (RV)	48.57
8.	X	Home Administration (CV)	289.67
9.	XI	Roads, Buildings and Ports (RV)	305.42
10.	XI	Roads, Buildings and Ports (CV)	2,990.19
11.	XVI	Medical and Health (RV)	1,188.42
12.	XVI	Medical and Health (CV)	510.33
13.	XVII	Municipal Administration and Urban Development (RV)	1,216.11
14.	XXIX	Forest, Science, Technology and Environment (RV)	226.18
15.	XXXI	Panchayat Raj (RV)	5,476.80
16.	XXXII	Rural Development (RC)	1,015.86
17.	XXXIII	Major and Medium Irrigation (RV)	146.87
18.	XXXIII	Major and Medium Irrigation (CV)	1,723.97
19.	XXXIII	Major and Medium Irrigation (CC)	36.99
20.	XXXIV	Minor Irrigation (RV)	1,375.28
<b>Total</b>			<b>17,603.72</b>

RV: Revenue Voted; RC: Revenue Charged; CV: Capital Voted; CC: Capital Charged; LV: Loans Voted; PD: Public Debt

**Appendix 2.10**  
**Scheme wise allocations under SCSP and TSP during 2015-16**  
**(Refer paragraph 2.6.12; page 39)**

(₹ in crore)

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- ri- ation	Net ap- pro- p- ri- ation	Expen- diture
1.	Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	21.58	0.00	-19.39	2.19	2.19
2.	Crop Loans for Farmers (Pavala Vaddi)	3.71	0.00	-1.85	1.85	1.85
3.	Farm Mechanization	15.44	0.00	-9.17	6.27	0.00
4.	Interest free Loans to Farmers (VaddiLeniRunalu) & Crop Insurance	30.88	0.00	-23.16	7.72	7.72
5.	Supply of Seeds to Farmers	9.82	0.00	-5.05	4.77	4.77
6.	Market Intervention Fund (MARKFED)	15.44	0.00	-15.44	0.00	0.00
7.	Strengthening of Seed Chain	7.72	0.00	-3.86	3.86	3.86
8.	Development of Crop Colonies & Soil Water analysis	3.09	0.00	-2.03	1.06	1.06
9.	National Food Security Mission	19.04	4.85	-12.04	11.86	11.86
10.	National Mission on Agriculture Extension and Technology	3.82	4.84	-3.98	4.68	4.68
11.	National Mission on Sustainable Agriculture	9.44	0.30	-2.76	6.98	6.98

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
12.	National Oilseed and Oil Palm Mission	3.32	0.43	-2.99	0.76	0.76
13.	Rashtriya Krushi Vikas Yojana (RKVY)	30.30	0.00	-7.42	22.88	22.88
14.	National project on management of Soil Health & Fertility	1.85	0.00	-1.85	0.00	0.00
15.	Paramparagath Krishi Vikas Yojana	2.78	0.00	-0.30	2.48	2.48
16.	Subsidy for Poly houses (1000 Ac)	38.60	0.00	-25.41	13.19	13.19
17.	Micro Irrigation	30.88	0.00	-15.44	15.44	0.00
18.	National Horticulture Mission	16.95	0.00	-9.95	7.00	7.00
19.	Per Drop More Crop (Micro irrigation)	16.68	0.00	-3.00	13.68	13.68
20.	Artificial Insemination Centres	0.46	0.00	-0.15	0.31	0.31
21.	Fodder and Feed Development	0.77	0.00	-0.31	0.47	0.47
22.	Implementation of livestock Development Programmes	0.46	0.00	-0.17	0.30	0.30
23.	Live stock schemes	0.31	0.00	-0.09	0.22	0.22
24.	Supply of Milch Animals under CMs Package	0.84	0.00	-0.26	0.58	0.58
25.	Power Subsidy to Poultry Industry	3.09	0.00	-2.32	0.77	0.00
26.	Incentives for Milk Production	2.52	0.00	0.00	2.52	2.52
27.	National Livestock Management Programme	1.35	0.00	-1.35	0.00	0.00
28.	Veterinary Services and Animal Health	1.91	0.00	-0.74	1.17	1.17
29.	Fish Retail Outlets	2.22	0.00	-1.11	1.10	1.10
30.	Scheme for relief and welfare of fishermen belonging to Scheduled Castes	0.42	0.00	-0.21	0.21	0.21
31.	Assistance to SCs members of PACs	0.04	0.00	-0.02	0.02	0.02
32.	Afforestation Fund	46.32	0.00	-34.83	11.49	11.49
33.	National Afforestation Programme (National Mission for Green India)	0.95	0.00	-0.63	0.32	0.32
34.	Project Tiger	0.53	0.00	-0.53	0.00	0.00
35.	Indira Jala Prabha	95.86	0.00	-95.86	0.00	0.00
36.	Asara Pensions to Disabled Persons	119.13	0.00	-45.93	73.20	118.04
37.	Asara Pensions to old age persons & widows	447.25	0.00	55.61	502.86	502.86
38.	Interest Free Loans to DWCRA Women (Vaddileni Runalu)	30.47	0.00	0.00	30.47	30.47
39.	Assistance to SERP	206.25	0.00	-154.69	51.56	51.56
40.	Integrated Watershed Management Programme (IWMP)	22.55	0.13	0.00	22.68	22.68
41.	National Employment Guarantee Fund	547.53	0.00	0.00	547.53	466.50
42.	National Rural Livelihood Mission (NRLM)	16.25	30.70	0.00	46.95	46.95
43.	National Social Assistance Programme (NSAP)	35.43	0.00	-8.85	26.58	26.58
44.	SFC Grants to Panchayat Raj Bodies	15.14	0.00	-11.42	3.71	3.71
45.	Pradhan Mantri Adarsh Gram Yojana	0.93	0.00	-0.93	0.00	0.00
46.	Electrification of Dalit Bastis	20.35	0.00	-10.18	10.18	10.18
47.	Energisation of Borewells	0.16	0.00	-0.08	0.08	0.08
48.	Solar Energy Programme	6.18	0.00	-6.18	0.00	0.00
49.	Solar Pumpset Programme	30.88	0.00	-30.88	0.00	0.00
50.	Incentives for Industrial Promotion	66.05	0.00	-49.54	16.51	16.51

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
51.	Incentives to the S.C. Entrepreneurs for Industrial Promotion	97.51	0.00	-73.13	24.38	24.38
52.	Extension of Pavalavaddi Scheme to all SSI and Food Processing units	12.04	0.00	-9.03	3.01	3.01
53.	Power Subsidy for Industries	30.88	0.00	-23.16	7.72	7.72
54.	Investments in Leather Industries Development Corporation of Telangana	1.63	0.00	0.00	1.63	0.82
55.	Assistance to Panchayat Raj Institutions for Construction of Rural Roads	239.92	0.00	-239.92	0.00	0.00
56.	Upgradation of NREGP works	29.02	0.00	-29.02	0.00	0.00
57.	Pradhan Mantri Gram Sadak Yojana (PMGSY)	7.80	0.00	-7.80	0.00	0.00
58.	Special Development Fund for Welfare and Development activities	77.20	0.00	0.00	77.20	45.40
59.	Distribution of L.P.G Connection to women in rural areas/municipal areas	7.72	0.00	-3.86	3.86	3.86
60.	Nutritious Meals Programmes for IX to X	10.59	0.00	-1.68	8.91	9.68
61.	Supply of Text Books to SCs	1.52	0.00	-0.76	0.76	0.76
62.	Assistance to Telangana Residential Educational Institutions Society (including KG to PG)	15.44	0.00	0.00	15.44	0.00
63.	Nutritious Meals Programmes	6.39	0.00	-6.39	0.00	0.00
64.	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	42.78	0.00	-42.78	0.00	0.00
65.	School for Providing education to Madarasas, Minorities and Disabled	3.47	0.00	-3.47	0.00	0.00
66.	Schemes Financed from Prarambhik Siksha Kosh (PSK)	42.58	0.00	-42.58	0.00	0.00
67.	Sarva Shiksha Abhiyan (SSA)	48.16	179.98	0.00	228.14	228.15
68.	National Services Scheme (NSS)	0.00	0.00	0.00	0.00	0.00
69.	Rashtriya Uchcha Shiksha Abhiyan (RUSA)	7.81	0.00	-1.52	6.30	6.30
70.	Skill Development Mission	0.02	0.00	-0.02	0.00	0.00
71.	Social Security for Unorganised workers Schemes	5.98	0.00	-5.98	0.00	0.00
72.	Development of Infrastructure facilities for Judiciary including Gram Nyayalayas	2.90	0.00	-2.90	2.90	0.00
73.	Old Age Pensions to Artistes	0.75	0.00	-0.20	0.55	0.55
74.	Aarogya Sri Health Care Trust	49.99	0.00	-12.50	37.49	52.49
75.	Scheme for the benefit of Scheduled Caste Students (Books)	0.00	0.00	0.00	0.00	0.00
76.	National AIDS & STD Control Programme	9.91	0.00	-9.91	0.00	0.00
77.	Operational Cost of Fixed Day Health Services (FDHS)-104 Services	4.39	0.00	-2.19	4.39	2.19
78.	R.C.H. Programme-II-Rural Emergency Health Transport Scheme (108 Services)	3.22	0.00	-1.32	1.90	1.90
79.	Sukhibhava	0.62	0.00	-0.31	0.31	0.31
80.	National Health Mission (NHM)	187.13	0.00	-134.30	52.83	52.83
81.	National Mission on AYUSH including Mission on Medicinal Plants	2.12	0.71	-2.83	0.00	0.00
82.	Water Grid	617.60	0.00	0.00	617.60	0.00
83.	National Rural Drinking Water Programme (NRDWP)-Support fund	15.89	3.91	0.00	19.80	18.35

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- appro- piation	Net appro- piation	Expen- diture
84.	Swachh Bharath	22.26	10.58	0.00	32.85	32.85
85.	Two bed Room Houses	129.23	0.00	-96.92	32.31	32.31
86.	Indira Awas Yojana (IAY)	57.54	141.56	4.43	203.53	203.53
87.	Sardar Patel Urban Housing Scheme	23.01	0.00	-23.01	0.00	0.00
88.	Assistance to Municipalities under State Finance Commission	61.76	0.00	-61.76	0.00	30.88
89.	National Urban Livelihood Mission	10.65	0.00	-5.33	5.32	5.32
90.	Slum Free Programme in GHMC Area	155.00	0.00	-116.25	38.75	38.75
91.	Smart Cities	31.27	0.00	-31.27	0.00	0.00
92.	Telangana SC, ST Commission	2.32	0.00	-0.99	1.34	1.34
93.	Acquisition of House Sites for Weaker Sections under Indiramma Programme	21.00	4.86	-16.54	9.32	9.32
94.	Ambedkar Bhavan in Districts and Divisional Head Quarters	15.00	0.00	-14.96	0.04	0.04
95.	Assistance to Telangana Study Circle	5.74	0.00	-2.87	2.87	2.87
96.	Assistance to Nodal Agency for Implementing Scheduled Caste Sub Plan	1.00	0.00	-1.00	0.00	0.00
97.	Book Bank	5.47	0.00	-3.81	1.66	1.66
98.	Buildings	68.18	0.00	-48.09	20.09	20.09
99.	Construction of Telangana Study Circle Buildings	5.50	0.00	-3.69	1.81	1.81
100.	Construction of Buildings for Integrated Hostels	28.57	0.00	-14.32	14.26	14.26
101.	Construction of Buildings for V.M. Home Residential School, Saroornagar, Hyderabad	3.50	0.00	-3.45	0.05	0.05
102.	Construction of Community Halls under Promotion of Inter Caste Marriages and Erection of Ambedkar statues	10.26	0.00	-5.55	4.71	4.71
103.	Contribution to Social Welfare Fund	2.00	0.00	0.00	2.00	2.00
104.	Construction of Buildings for Hostels and Colleges in RIAD areas	4.75	0.00	-4.45	0.30	0.30
105.	Economic Support Scheme	1005.10	0.00	-754.91	250.19	250.19
106.	Financial Assistance for Studies Abroad	21.00	0.00	-9.60	11.40	11.40
107.	Government Hostels	121.82	0.00	-60.76	61.06	61.09
108.	Headquarters Office	4.00	0.00	-2.96	1.04	1.04
109.	Hyderabad Public School	30.00	0.00	-15.09	14.91	14.91
110.	Managerial Subsidy to Telangana Scheduled Caste's Co-operative Finance Corporation Ltd.,	30.00	0.00	-15.00	15.00	15.00
111.	Financial Assistance to Students of Telangana (FAST)-(Post) (MTF)	12.80	178.20	-43.19	147.81	147.81
112.	Financial Assistance to Students of Telangana (FAST)-(RTF)	467.95	0.00	-174.42	293.53	293.53
113.	Financial Assistance to Students of Telangana (FAST)-(Post)	165.77	0.00	-161.48	4.29	4.28
114.	Promotion of Inter-Caste Marriages	5.18	2.00	-2.51	4.67	4.67
115.	Providing free power to SC Households	65.00	0.00	-36.56	28.44	28.44
116.	Rehabilitation Economic Development Liberation and Home for Jogin Women	0.03	0.00	0.00	0.03	0.03
117.	Skill Upgradation for Professional Graduates	1.75	0.00	-1.53	0.22	0.22

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
118.	Special Criminal Courts dealing with Offences under the Indian Penal Code and Protection of Civil Rights Act, 1955 against Scheduled Castes and Scheduled Tribes	3.51	0.00	10.65	14.15	14.20
119.	Prematric Scholarships for Students belonging to SCs studying in Class v-viii	21.00	0.00	-10.90	10.10	10.10
120.	Kalyana Lakshmi	157.04	0.00	-1.19	155.85	155.86
121.	Post Matric Scholarships	50.00	0.00	-48.89	1.11	1.11
122.	Integrated Residential Schools	31.41	0.00	11.62	43.03	43.03
123.	Construction of Buildings for Residential School Complex	0.00	241.58	-100.08	141.50	141.50
124.	Repairs & Maintenance of Residential School Buildings	80.00	0.00	-58.84	21.16	21.16
125.	Government Residential Centralised Schools-New Scheme	26.42	0.00	0.00	26.42	26.42
126.	National Land Record Management Programme (NLRMP)	0.67	0.00	-0.67	0.00	0.00
127.	Roads and Bridges	39.75	0.00	-21.86	17.89	17.89
128.	Panchyath Yuva Krida aur Khel Abhiyan (PYKA)	0.86	0.40	-0.36	0.89	0.89
129.	Amrutha Hastham Renamed to Arogya Lakshmi	32.58	0.00	-10.43	22.15	22.21
130.	Integrated Child Development Services Schemes	77.32	0.00	-50.13	27.18	14.16
131.	Integrated Child Development Services (ICDS)	67.97	11.24	-27.23	51.99	51.99
132.	Integrated Child Protection Service (ICPS)	4.02	0.00	-2.76	1.26	1.26
133.	National Mission for Empowerment of Women including Indira Gandhi Matritva Sahayog Yojana (IGMSY)	9.24	0.00	-7.95	1.29	1.29
134.	Nutrition Programme	93.67	0.00	-21.35	72.32	72.32
<b>Total</b>		<b>6,876.79</b>	<b>816.27</b>	<b>-3,292.50</b>	<b>4,405.65</b>	<b>3,708.56</b>

**Scheme wise allocations under TSP**

1.	Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	13.06	0.00	0.00	13.06	1.42
2.	Crop Loans for Farmers (Pavala Vaddi)	2.24	0.00	0.00	2.24	1.12
3.	Farm Mechanization	9.34	0.00	0.00	9.34	0.00
4.	Interest free Loans to Farmers (Vaddi Leni Runalu) & Crop Insurance	18.68	0.00	0.00	18.68	4.67
5.	Supply of Seeds to Farmers	5.94	0.00	0.00	5.94	2.94
6.	Market Intervention Fund (MARKFED)	9.34	0.00	0.00	9.34	0.00
7.	Strengthening of Seed Chain	4.67	0.00	0.00	4.67	2.34
8.	Development of Crop Colonies & Soil Water analysis	1.87	0.00	0.00	1.87	0.69
9.	National Food Security Mission	11.52	2.70	-8.66	5.56	5.56
10.	National Mission on Agriculture Extension and Technology	2.31	2.56	-2.54	2.33	2.34
11.	National Mission on Sustainable Agriculture	5.71	0.00	-4.55	1.16	1.16
12.	National Mission on Oilseed and Oil Palm	2.01	0.13	-1.57	0.57	0.57
13.	Rashtriya Krushi Vikas Yojana (RKVY)	18.33	0.00	4.49	22.82	13.84
14.	National project on management of Soil health & Fertility	1.12	0.00	-1.12	0.00	0.00
15.	Paramparagath Krishi Vikas Yojana	1.68	0.00	-0.18	1.50	1.50

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
16.	Subsidy for Poly houses (1000 Ac)	23.35	0.00	0.00	23.35	6.43
17.	Micro Irrigation	18.68	0.00	0.00	18.68	0.00
18.	National Horticulture Mission	10.25	0.00	-4.61	5.65	5.65
19.	Per Drop More Crop (Micro irrigation)	10.09	0.00	-6.02	4.07	4.07
20.	Artificial Insemination Centres	0.28	0.00	0.00	0.28	0.00
21.	Fodder and Feed Development	0.47	0.00	0.00	0.47	0.26
22.	Implementation of livestock Development Programmes	0.28	0.00	0.00	0.28	0.14
23.	Live stock schemes	0.19	0.00	0.00	0.19	0.12
24.	Supply of Milch Animals under CMs Package	0.51	0.00	0.00	0.51	0.37
25.	Power Subsidy to Poultry Industry	1.87	0.00	0.00	1.87	0.00
26.	Incentives for Milk Production	1.52	0.00	0.00	1.52	1.52
27.	National Livestock Management Programme	0.82	0.00	-0.82	0.00	0.00
28.	Veterinary Services and Animal Health	1.15	0.00	-0.67	0.48	0.48
29.	Scheme for relief and welfare of fishermen belonging to Scheduled Tribes	0.80	0.00	0.00	0.80	0.40
30.	Afforestation Fund	28.02	0.00	0.00	28.02	6.79
31.	National Aforestation Programme (National Mission for Green India)	0.58	0.00	-0.25	0.33	0.33
32.	Project Tiger	0.32	0.00	-0.32	0.00	0.00
33.	Aasara Pensions to Disabled Persons	88.73	0.00	0.00	88.73	86.95
34.	Aasara Pensions to old age persons & widows	333.12	0.00	0.00	333.12	392.38
35.	Interest Free Loans to DWCRA Women (Vaddileni Runalu)	18.43	0.00	0.00	18.43	18.43
36.	Integrated Watershed Management Programme (IWMP)	18.79	0.00	-9.55	9.24	9.24
37.	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	502.86	0.00	0.00	502.86	428.59
38.	National Rural Livelihood Mission (NRLM)	15.83	18.17	0.00	34.00	34.00
39.	National Social Assistance Programme (NSAP)	27.54	0.00	-6.88	20.66	20.66
40.	Indira Jala Prabha	31.95	0.00	-31.95	0.00	0.00
41.	Assistance to SERP	31.25	0.00	0.00	31.25	0.00
42.	SFC Grants to Panchayat Raj Bodies	9.16	0.00	0.00	9.16	2.26
43.	Pradhan Mantri Adarsh Gram Yojana	0.56	0.00	-0.56	0.00	0.00
44.	Telangana Amaravirula Pathakam	10.00	0.00	0.00	10.00	0.00
45.	National Land Record Management Programme	0.41	0.00	-0.41	0.00	0.00
46.	Energisation of Borewells	0.10	0.00	0.00	0.10	0.05
47.	Solar Energy Programme	3.74	0.00	0.00	3.74	1.87
48.	Solar Pumpset Programme	18.68	0.00	0.00	18.68	0.00
49.	Extension of Pavalavaddi Scheme to all SSI and Food Processing units	7.29	0.00	0.00	7.29	3.64
50.	Incentives for Industrial Promotion	39.96	0.00	0.00	39.96	19.98
51.	Power Subsidy for Industries	18.68	0.00	0.00	18.68	9.34
52.	Roads and Bridge works	24.04	0.00	-22.32	1.72	1.72
53.	Assistance to Panchayat Raj Institutions for Construction of Rural Roads	233.09	0.00	0.00	233.09	0.00

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
54.	Upgradation of NREGP works	17.55	0.00	0.00	17.55	0.00
55.	Pradhan Mantri Gram Sadak Yojana (PMGSY)	4.72	0.00	-4.72	0.00	0.00
56.	Assistance to PR Institutions under RIDF	7.01	0.00	-5.82	1.19	1.19
57.	Construction of High Schools under RIAD	1.15	0.00	-0.98	0.17	0.17
58.	Construction of Roads under RIAD	14.15	0.00	-11.14	3.01	3.01
59.	Special Development Fund for Welfare and Developmental activities	46.70	0.00	0.00	46.70	45.99
60.	Distribution of L.P.G Connection to women in rural areas/municipal areas	4.67	0.00	0.00	4.67	2.34
61.	Establishment of B.Ed and D.Ed Colleges for S.T Students in Tribal Areas	0.01	0.00	0.00	0.01	0.00
62.	Nutritious Meals Programmes for IX to X	6.41	0.00	0.00	6.41	5.20
63.	Assistance to Telangana Residential Educational Institutions Society (including KG to PG)	9.34	0.00	0.00	9.34	0.00
64.	Nutritious Meals Programmes	3.87	0.00	-3.87	0.00	0.00
65.	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	25.88	0.00	-25.88	0.00	0.00
66.	School for Providing education to Madarasas, Minorities and Disabled	2.10	0.00	-2.10	0.00	0.00
67.	Schemes Financed from Prarambhik Siksha Kosh (PSK)	25.76	0.00	-25.76	0.00	0.00
68.	Sarva Shiksha Abhiyan (SSA)	29.13	15.97	0.00	45.10	45.10
69.	Rashtriya Uchcha Shiksha Abhiyan (RUSA)	4.73	0.00	-1.30	3.43	3.43
70.	Panchayat Yuva Krida Aur Khel Abhiyan	0.52	0.16	-0.32	0.36	0.36
71.	Old Age Pensions to Artistes	0.46	0.00	0.00	0.46	0.34
72.	National AIDS & STD Control Programme	5.99	0.00	-5.99	0.00	0.00
73.	Aarogya Sri Health Care Trust	30.24	0.00	0.00	30.24	30.24
74.	Operational Cost of Fixed Day Health Services (FDHS)- 104 Services	2.66	0.00	0.00	2.66	1.99
75.	R.C.H. Programme - II - Rural Emergency Health Transport Scheme (108 Services)	1.95	0.00	0.00	1.95	1.15
76.	Sukhibhava	0.38	0.00	0.00	0.38	0.19
77.	National Health Mission (NHM)	149.73	0.00	-127.93	21.80	21.81
78.	National Mission on AYUSH including Mission on Medicinal Plants	1.28	0.00	-0.76	0.52	0.52
79.	Water Grid	373.60	0.00	0.00	373.60	0.00
80.	National Rural Drinking Water Programme (NRDWP)- Support fund	9.61	2.36	-11.10	0.87	11.10
81.	Swachh Bharath	13.47	2.52	0.00	15.99	15.99
82.	Two bed Room Houses	77.54	0.00	0.00	77.54	0.00
83.	Indira Awas Yojana (IAY)	34.81	103.42	24.78	163.00	163.00
84.	Sardar Patel Urban Housing Scheme	13.92	0.00	-13.92	0.00	0.00
85.	Slum Free Programme in GHMC Area	95.00	0.00	0.00	95.00	0.00
86.	Smart Cities	18.91	0.00	-18.91	0.00	0.00
87.	Assistance to Municipalities under State Finance Commission	37.36	0.00	0.00	37.36	18.68
88.	National Urban Livelihood Mission	6.45	0.00	-3.81	2.63	2.63
89.	Skill Dvelopment Mission	0.01	0.00	-0.01	0.00	0.00

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- ap- pro- p- riation	Net ap- pro- p- riation	Expen- diture
90.	Social Security for Unorganised workers Schemes	3.62	0.00	-3.62	0.00	0.00
91.	Construction of Buildings for Integrated Residential Schools	50.60	0.00	-31.19	19.41	19.41
92.	Construction of Godowns/Storage Points	1.27	0.00	-1.27	0.00	0.00
93.	Construction of High Schools in RIAD areas	0.75	0.00	-0.75	0.00	0.00
94.	Construction of Roads under NABARD Programmes	18.67	0.00	-15.85	2.82	2.82
95.	Ashram School	38.81	0.00	-38.81	0.00	0.00
96.	Buildings for School Complexes	80.00	0.00	-64.18	15.82	15.82
97.	Construction of Buildings for Ashram Schools for ST. Girls/Boys in Naxal affected areas with Addl. Central Assistance (ACA)	1.95	0.00	-0.99	0.96	0.96
98.	Economic Support Schemes	38.05	9.32	-18.34	29.03	29.03
99.	Educational Infrastructure	27.00	0.00	-19.44	7.56	7.56
100.	Educational Institutions	138.92	0.00	-27.78	111.14	111.14
101.	Establishment of Plain Area Tribal Development Agency	2.24	0.00	-0.56	1.68	1.68
102.	Financial Assistance to Girijan Co-operative Corporation	1.81	0.00	-0.45	1.36	1.36
103.	Hostel Buildings for 8 Degree Colleges in Remote Interior Area Development (RIAD) Areas	0.56	0.00	-0.56	0.00	0.00
104.	Implementation of the Protection of Forest Right Act	3.92	9.74	-1.03	12.63	12.63
105.	Loans for Repayment of NSFDC Loans	4.23	0.00	-0.04	4.19	0.00
106.	Monetary Relief and Legal Aid to the Victims of Atrocities on S.Ts	0.03	0.00	-0.01	0.02	0.02
107.	Financial Assistance to Students of Telangana (FAST) Post Matriculation Scholarships (Post)(MTF)	91.84	4.16	-12.81	83.19	83.19
108.	Financial Assistance to Students of Telangana (FAST) Pre Matric Scholarships	14.06	0.00	-0.25	13.80	13.80
109.	Promotion of Inter caste marriages	0.07	0.00	-0.05	0.02	0.02
110.	Providing Quality Education for STs	9.33	2.80	-4.67	7.47	7.47
111.	Residential Junior Colleges for Girls in Remote Interior Area Development (RIAD) Areas	0.75	0.00	-0.59	0.16	0.16
112.	Residential Schools for Tribal Girls in RIAD Areas	1.01	0.00	0.00	1.01	1.01
113.	Residential Schools for Tribals	11.43	6.69	0.00	18.12	18.12
114.	Skill Upgradation for formal and Self- Employment (Rajiv Yuva Kiranalu)	0.84	0.21	-0.21	0.84	0.84
115.	Financial Assistance to Students of Telangana (FAST) Tuition Fee (RTF)	87.36	16.88	34.29	138.53	138.53
116.	Upgradations of Residential Schools into Jr .Colleges of Excellence	1.34	0.77	0.00	2.11	2.11
117.	Upgrading Tribal Welfare Ashram Schools in to Schools of Excellence	1.68	1.26	-0.42	2.52	2.52
118.	Works under Medaram Jathara	0.94	115.16	-58.06	58.04	58.04
119.	Ambedkar Overseas Vidya Nidhi (New Scheme)	5.00	0.00	-2.25	2.75	2.75
120.	Coaching to Students for eligibility tests for Admissions in Foreign Universities (New Scheme)	1.00	0.00	-0.88	0.12	0.12
121.	Pre Matric Scholarships for Day Scholars -FAST	40.00	0.00	-29.98	10.02	10.02
122.	Kalyana Lakshmi	80.00	30.00	-21.49	88.51	88.51

Sl. No.	Name of the Scheme	Original	Supple- mentary	Re- appro- piation	Net appro- piation	Expen- diture
123.	Komaram Bheem Memorial	25.00	12.50	-6.55	30.95	30.95
124.	Additional facilities to Students	200.00	75.00	-150.00	125.00	125.00
125.	Grants under Provison Art. 275 (1)	37.09	41.04	-1.18	76.94	76.94
126.	Tribal Sub Plan (SCA to TSP)	55.00	83.40	-33.71	104.69	104.69
127.	Umbrella scheme for Education of ST students	50.00	0.60	-50.00	0.60	0.60
128.	Financial Assistance to Students of Telangana (FAST) (Post) (MTF)	20.00	0.00	20.07	40.07	0.00
129.	Integrated Child Development Services Schemes	46.77	0.00	-23.35	23.42	23.42
130.	Arogya Lakshmi/Amurtha Hastham	31.65	0.00	0.00	31.65	23.56
131.	Integrated Child Development Services (ICDS)	59.36	4.71	-42.55	21.52	21.52
132.	Integrated Child Protection Service (ICPS)	1.82	0.00	-1.06	0.76	0.76
133.	National Mission for Empowerment of Women including Indira Gandhi Matritva Sahayog Yojana (IGMSY)	3.82	0.00	-3.82	0.00	0.00
134.	Nutrition Programme	98.43	0.00	-70.33	28.10	28.10
135.	Development of Infrastructure facilities for Judiciary including Gram Nyayalayas	1.75	0.00	-1.75	0.00	0.00
136.	Tribal Area sub Plan (TSP)	6.25	0.00	-5.04	1.21	1.21
137.	Tribal Area sub Plan (TSP)	25.00	0.00	-25.00	0.00	0.00
138.	Tribal Area sub Plan (TSP)	224.00	0.00	-223.66	0.34	0.00
139.	Restoration of Minor Irrigation Tanks	133.37	0.00	-133.37	0.00	0.00
140.	Ground Water Investigation in Tribal Areas	1.30	0.00	-0.50	0.80	0.80
141.	Lift Irrigation Works	5.00	0.00	-0.95	4.05	4.05
142.	Construction and Restoration of Minor Irrigation Sources	71.63	0.00	-56.07	15.56	15.72
143.	Construction and Restoration of Lift Irrigation Schemes (TSIDC)	40.00	70.00	-91.80	18.20	18.20
144.	Upgradation of NREGS works	5.00	0.00	-4.76	0.24	0.24
145.	Restoration of Minor Irrigation Tanks	0.00	10.37	-9.09	1.28	1.28
146.	Mission Kakatiya	0.00	123.00	-84.86	38.14	38.14
<b>Total</b>		<b>4,619.53</b>	<b>765.60</b>	<b>-1,659.59</b>	<b>3,725.54</b>	<b>2,613.07</b>

**Appendix 2.11**  
**Cases of Excessive & Insufficient Supplementary Grant (Panchayat Raj Grant)**  
**(Refer paragraph 2.7.1.3; page 40)**

(₹ in crore)

Sl. No.	Head of Account	Description	Original	Supplementary	Total Grant	Actual Expenditure	Excess(+)/ Savings(-)
<b>Excessive Supplementary Grant</b>							
1.	2215-01-102-(05)	National Rural Drinking Water Programme (NRDWP)	56.61	96.45	153.06	146.02	-7.04
2.	2215-01-102-(08)	Capacity & Sector Development	0.50	1.00	1.50	1.25	-0.25
3.	2215-01-102-(15)	National Rural Drinking Water Programme (NRDWP)-WQM&SP	7.80	5.83	13.63	8.41	-5.22
4.	2215-01-789-(05)	National Rural Drinking Water Programme (NRDWP)	15.89	3.91	19.80	18.35	-1.44
5.	2215-01-796-(05)	National Rural Drinking Water Programme (NRDWP)	9.61	2.36	11.98	11.10	-0.87
6.	2215-02-191-(05)	Assistance to Panchayat Raj Bodies for Rural Sanitation	0.00	2.94	2.94	1.47	-1.47
7.	2515-00-001-(03)	District Panchayat Offices	20.47	6.52	26.99	22.98	-4.01
8.	2515-00-101-(21)	State Election Commission	3.10	3.80	6.90	5.95	-0.95
9.	2515-00-196-(11)	Assistance to Zilla Parishads towards Payment of Honorarium to ZPTC Members	0.00	5.22	5.22	3.21	-2.01
10.	2515-00-197-(05)	Assistance to Mandala Parishads towards payment of salaries to MPTC Members	5.11	37.44	42.55	21.94	-20.61
11.	2515-00-197-(48)	Thirteenth Finance Commission grants to PR Bodies	0.00	18.18	18.18	18.15	-0.02
12.	2515-00-198-(11)	Assistance to Gram Panchayats towards payment of Honorarium to Sarpanches	0.00	49.71	49.71	26.03	-23.68
13.	2515-00-198-(14)	Pradhan Mantri Gram Sadak Yojana (PMGSY)	37.99	123.75	161.73	159.33	-2.40
14.	2515-00-198-(48)	Thirteenth Finance Commission grants to PR Bodies	580.34	127.72	708.06	707.47	-0.59
15.	3054-04-196-(12)	Assistance to Panchayat Raj Institutions for Maintenance of Rural Roads	48.20	678.88	727.08	687.51	-39.57

Sl. No.	Head of Account	Description	Original	Supplementary	Total Grant	Actual Expenditure	Excess(+)/ Savings(-)
16.	4215-01-102-(29)	Rural Water Supply Schemes under SWSM	0.18	108.15	108.32	105.31	-3.01
17.	4215-01-102-(31)	Water Grid	0.00	2,790.24	2,790.24	1,341.82	-1,448.43
<b>Total</b>			<b>785.79</b>	<b>4,062.10</b>	<b>4,847.89</b>	<b>3,286.32</b>	<b>-1,561.57</b>
<b>Insufficient Supplementary Grant</b>							
1.	2215-01-102-(03)	District Offices	90.21	0.79	91.00	98.61	7.61
2.	2215-01-102-(32)	Godavari Pushkarams 2015	0.00	2.61	2.61	3.20	0.59
<b>Total</b>			<b>90.21</b>	<b>3.40</b>	<b>93.61</b>	<b>101.81</b>	<b>8.20</b>

**Appendix 2.12**  
**Cases of Unnecessary supplementary Grant (Panchayat Raj Grant)**  
**(Refer paragraph 2.7.1.3; page 40)**

(₹ in crore)

Sl. No.	Head of Account	Description	Original provision	Actual Expenditure	Savings(-)	Supplementary Grant
1.	2215-01-102-(14)	National Rural Drinking Water Programme (NRDWP)-Support fund	13.00	9.42	-3.58	9.71
2.	2215-01-102-(31)	Water Grid	3,008.80	72.05	-2,936.75	72.03
3.	2515-00-001-(06)	Panchayat Raj Engineering Establishment	182.05	161.32	-20.73	1.12
4.	2515-00-198-(08)	Assistance to Gram Panchayats	216.24	181.41	-34.82	0.36
5.	2515-00-198-(49)	Thirteenth Finance Commission grants for Special Area Development	4.13	1.74	-2.39	1.74
6.	3451-00-090-(05)	Panchayat Raj and Rural Development Department	8.50	5.99	-2.51	0.01
7.	2515-00-196-(05)	Assistance to Panchayat Raj Bodies for maintenance of Comprehensive Piped Water Supply Scheme	0.00	0.00	0.00	109.37
8.	2515-00-196-(41)	Repairs to Roads for Godavari Pushkaralu	0.00	0.00	0.00	7.79
9.	4215-01-789-(29)	Rural Water Supply Schemes under SWSM	0.00	0.00	0.00	0.63
<b>Total</b>			<b>3,432.71</b>	<b>431.93</b>	<b>-3,000.78</b>	<b>202.76</b>

**Appendix 2.13**  
**Re-appropriation of funds (Panchayat Raj Grant)**  
**(Refer paragraph 2.7.1.4; page 40)**

(₹ in crore)

Sl. No.	Head of Account	Name of the Scheme	Re-appropriation	Final Excess (+)/ Saving(-)
<b>Unnecessary re-appropriation</b>				
1.	2215-01-102-(05)	National Rural Drinking Water Programme (NRDWP)	-146.02	138.98
2.	2215-01-102-(32)	Godavari Pushkarams 2015	-1.26	1.85
3.	2215-01-796-(05)	National Rural Drinking Water Programme (NRDWP)	-11.10	10.23
4.	2515-00-001-(06)	<i>Panchayat Raj Engineering Establishment_Charged</i>	-0.27	0.27
5.	2515-00-101-(21)	State Election Commission	-1.48	0.53
6.	2515-00-198-(08)	Assistance to Gram Panchayats	-45.69	10.51
7.	3054-04-196-(12)	Assistance to Panchayat Raj Institutions for Maintenance of Rural Roads	-678.88	639.31
<b>Total</b>			<b>-884.70</b>	<b>801.68</b>
<b>Excessive re-appropriation</b>				
1.	2515-00-001-(05)	Chief Engineer (Panchayat Raj and General)	43.37	-38.50
2.	2215-02-191-(09)	Swachh Bharath Mission –Gramin (SBM-G)	13.88	-13.88
3.	2515-00-196-(11)	Assistance to Zilla Parishads towards Payment of Honorarium to ZPTC Members	1.22	-3.24
<b>Total</b>			<b>58.48</b>	<b>-55.62</b>

**Appendix 2.14**  
**Cases of surrender of entire provision (Panchayat Raj Grant)**  
**(Refer paragraph 2.7.1.5; page 41)**

(₹ in crore)

Sl. No.	Head of Account	Name of the Scheme	Budget Provision	Surrender
1.	2515-00-001-(74)	District Offices(Buildings)	28.25	28.25
2.	2515-00-196-(05)	Assistance to Panchayat Raj Bodies for maintenance of Comprehensive Piped Water Supply Scheme	109.37	109.37
3.	2515-00-196-(41)	Repairs to Roads for Godavari Pushkaralu	7.79	7.79
4.	2515-00-198-(18)	Pradhan Mantri Adarsh Gram Yojana	4.51	4.51
5.	2515-00-789-(18)	Pradhan Mantri Adarsh Gram Yojana	0.93	0.93
6.	2515-00-796-(08)	Pradhan Mantri Gram Sadak Yojana (PMGSY)	4.72	4.72
7.	2515-00-796-(18)	Pradhan Mantri Adarsh Gram Yojana	0.56	0.56
8.	3054-04-196-(14)	Road Maintenance Grant under 13th Finance Commission	31.11	31.11
<b>Total</b>			<b>187.24</b>	<b>187.24</b>

**Appendix 2.15**  
**Expenditure incurred without Budget provision (Panchayat Raj Grant)**  
**(Refer paragraph 2.7.1.6; page 41)**

(₹ in lakh)

Sl. No.	Head of Account	Name of the Scheme	Budget (O+S)	Re-appropriation	Expenditure
1.	2215-01-102-(11)	Monitoring Cell for Water Supply Schemes	0.00	0.56	1.86
2.	2215-01-102-(12)	Investigation unit for accelerated Rural Water Supply Schemes	0.00	0.01	0.01
3.	2515-00-789-(05)	Assistance to Panchayat Raj Institutions for Construction of Rural Roads	0.00	58.72	58.72
4.	2515-00-789-(46)	Upgradation of NREGP works	0.00	9.61	9.61
5.	2515-00-796-(05)	Assistance to Panchayat Raj Institutions for Construction of Rural Roads	0.00	95.50	95.50
6.	2515-00-796-(46)	Upgradation of NREGP works	0.00	1.08	1.08
7.	4515-00-101-(06)	Mahatma Gandhi National Employment Guarantee Act	0.00	0.00	350.00
<b>Total</b>			<b>0.00</b>	<b>165.48</b>	<b>516.78</b>

**Appendix 2.16**  
**Cases of Unnecessary Supplementary Grant (Major & Medium Irrigation Grant)**  
**(Refer paragraph 2.7.2.3; page 43)**

(₹ in crore)

Sl. No.	Head of Account	Name of the Project	Original	Actual Expenditure	Final Excess (+)/ Saving(-)	Supplementary
1.	2700-01-800	Other Expenditure	126.19	45.44	-80.75	1.44
2.	2700-80-001	Direction and Administration	169.82	140.41	-29.42	8.54
3.	4700-01-125	Srisaillam Left Bank Canal (Alemineti Madhava Reddy Project)	599.00	591.89	-7.11	205.00
4.	4700-01-166	J.Chokka Rao Devadula Lift Irrigation Scheme_Voted	498.00	465.13	-32.87	100.07
5.	4701-03-221	Peddavagu Near Adda (Komaram Bhim Project)	37.50	26.07	-11.43	1.13
6.	2700-01-127	Srisaillam Left Bank Canal	134.27	134.19	-0.07	0.12
7.	4700-01-154	Flood Flow Canal Project	747.00	469.49	-277.51	60.00
8.	4700-01-164	Sripada Sagar Yellampally Project	558.00	225.58	-332.42	40.00
9.	4801-01-101	Srisaillam Hydro-Electric Scheme_Charged	1.00	0.10	-0.90	0.06
10.	4701-03-127	Koilsagar Project_Charged	0.00	0.00	-0.02	0.02
<b>Total</b>			<b>2,870.78</b>	<b>2,098.30</b>	<b>-772.51</b>	<b>416.38</b>

**Appendix 2.17**  
**Cases of Excessive Supplementary Grant (Major & Medium Irrigation Grant)**  
**(Refer paragraph 2.7.2.3; page 43)**

(₹ in crore)

Sl. No	Head of Account	Name of the Project	Original	Actual Expenditure	Final Excess (+)/ Saving(-)	Supplementary
1.	2700-01-101	Nagarjuna Sagar Project	198.59	199.21	0.62	7.08
2.	4700-01-117	Singur Project_Voted	17.00	20.24	3.24	4.09
3.	4700-01-122	Jurala Project_Charged	25.00	26.33	1.33	20.95
4.	4700-01-129	Nagarjunasagar Project_Voted	203.66	349.11	145.45	174.00
5.	4700-01-167	Pranahita Chevalla Lift Irrigation Scheme_Voted	1,505.10	3,039.23	1,534.13	2,919.72
6.	4700-01-229	Palamuru - Ranga Reddy Lift Irrigation Scheme	100.00	385.98	285.98	480.00
7.	4701-03-106	Ramappa Lake	0.50	0.56	0.06	0.40
8.	4701-03-208	Yerravagu Project (P.P. Rao Project)	2.00	2.16	0.16	1.63
<b>Total</b>			<b>2,051.85</b>	<b>4,022.82</b>	<b>1,970.97</b>	<b>3,607.87</b>

**Appendix 2.18**  
**Re-appropriation of funds (Major & Medium Irrigation Grant)**  
**(Refer paragraph 2.7.2.4; page 43)**

(₹ in crore)

Sl. No.	Head of Account	Name of the Project	Re-appropriation	Final Excess (+)/ Saving(-)
<b>Unnecessary re-appropriation</b>				
1	2700-01-101	Nagarjuna Sagar Project	-7.15	0.69
2	4701-03-104	Pocharam Project	-0.07	0.32
3	4700-01-122	Jurala Project_charged	-29.45	9.83
4	2700-01-157	Jalasoudha	0.05	-0.11
5	4700-01-800	Other Expenditure	37.58	-38.32
<b>Total</b>			<b>0.96</b>	<b>-27.59</b>
<b>Excessive re-appropriation</b>				
6	4700-01-107	Nizamsagar Project_Voted	45.07	-33.81
7	4700-01-101	Sriramsagar Project_Voted	53.05	-42.28
8	4700-01-105	Kadam Project	7.10	-0.90
9	4700-01-117	Singur Project_Voted	0.68	-1.53
10	4700-01-129	Nagarjunasagar Project_Voted	10.42	-38.97
<b>Total</b>			<b>116.32</b>	<b>-117.49</b>
<b>Inadequate re-appropriation</b>				
11	4701-03-112	Upper Koulasanala Project	5.47	0.51
<b>Total</b>			<b>5.47</b>	<b>0.51</b>

**Appendix 2.19**  
**Cases of surrender of entire provision (Major & Medium Irrigation Grant)**  
**(Refer paragraph 2.7.2.5; page 44)**

(₹ in crore)

Sl No.	Head of Account	Name of the Project	Total Grant	Expenditure	Surrender
1.	2711-01-800	Other Expenditure	0.06	0.00	0.06
2.	4700-01-170	Dummugudem Nagarjuna Sagar Project Tail Pond	1.00	0.00	1.00
3.	4700-01-172	Ali Sagar Lift Irrigation Scheme	1.00	0.00	1.00
4.	4700-01-174	Argula Raja Ram Guptha Lift Irrigation Scheme	2.00	0.00	2.00
5.	4700-01-179	Dam across Godavari River for Dummugudem Hydro-Electric Project	0.50	0.00	0.50
6.	4700-01-228	Jurala-Pakala Lift Irrigation Scheme	3.63	0.00	3.63
7.	4701-03-103	Pakala Lake	0.50	0.00	0.50
8.	4701-03-125	Nallavagu Project	0.50	0.00	0.50
9.	4701-03-126	Kotipallivagu Project	2.50	0.00	2.50
10.	4701-03-138	Malluruvagu Project	0.50	0.00	0.50
11.	4701-03-154	Wyra Project	1.00	0.00	1.00
12.	4701-03-160	Lakhnaram Project	0.60	0.00	0.60
13.	4701-03-162	Sanigaram Project	0.10	0.00	0.10
14.	4701-03-192	Palem Vagu	5.00	0.00	5.00
15.	4701-03-210	L.T.Bayyaram Project	1.00	0.00	1.00
16.	4701-03-213	NTR Sagar Project	1.50	0.00	1.50
17.	4701-03-216	Taliperu Project	1.50	0.00	-1.50
18.	4701-03-217	Sathnala Project	2.50	0.00	-2.50
19.	4701-03-218	Gundlavagu Project	0.50	0.00	-0.50
20.	4701-03-220	Peddavagu Project	0.50	0.00	-0.50
21.	4701-03-226	Kinnerasani Project	1.00	0.00	-1.00
22.	4701-03-236	Ralivagu Project	2.75	0.00	-2.75
23.	4701-03-239	Modikuntavagu Project	5.00	0.00	-5.00
24.	4705-00-102	Sri Ramsagar Project Command Area	23.02	0.00	-23.02
25.	4700-01-107	Nizamsagar Project_Charged	0.50	0.00	-0.50
26.	4700-01-129	Nagarjunasagar Project_Charged	0.02	0.00	-0.02
27.	4700-01-145	Kalvakurthi Lift Irrigation Scheme (Mahatma Gandhi Lift Irrigation Scheme)_Charged	0.02	0.00	-0.02
28.	4700-01-166	J.Chokka Rao Devadula Lift Irrigation Scheme_Charged	2.00	0.00	-2.00
29.	4701-03-127	Koilsagar Project_Charged	0.02	0.00	-0.02
30.	4701-03-214	Sangambanda Project_Charged	0.67	0.00	-0.67
<b>Total</b>			<b>61.39</b>	<b>0.0</b>	<b>-61.39</b>

**Appendix 2.20**  
**Rush of Expenditure (Major & Medium Irrigation Grant)**  
(Refer paragraph 2.7.2.7; page 44)

(₹ in crore)

Month & Year	Revenue Expenditure	Capital Expenditure	Total Expenditure (Revenue & Capital)	% of Monthly Expenditure	Quarter wise Expenditure	% of Quarterly expenditure
Apr-15	29.05	472.48	501.52	5		
May-15	34.53	328.17	362.70	4		
Jun-15	28.83	110.35	139.18	1	1,003.40	10.44
Jul-15	44.32	217.40	261.71	3		
Aug-15	50.03	626.88	676.91	7		
Sep-15	30.23	506.14	536.37	6	1,474.99	15.35
Oct-15	37.69	584.14	621.83	6		
Nov-15	43.60	531.36	574.96	6		
Dec-15	32.33	721.60	753.93	8	1,950.72	20.29
Jan-16	30.18	506.34	536.52	6		
Feb-16	32.56	928.08	960.64	10		
Mar-16	2,734.43	951.70	3,686.13	38	5,183.28	53.92
<b>Total</b>	<b>3,127.76</b>	<b>6,484.63</b>	<b>9,612.39</b>	<b>100</b>	<b>9,612.39</b>	<b>100</b>

Source: Grant Audit Registers (GARs) 2015-16

**Appendix 2.21**  
**Subsidies provided under 310-Grants-in-Aid**  
(Refer paragraph 2.8.1.2; page 46)

(₹ in crore)

Head of Account	Description	Original	Supplementary	Total	Expenditure
<b>Grant No. XXI-Social Welfare</b>					
2852-80-789-11-19-310	Power Subsidy for Industries	30.88	0.00	30.88	7.72
<b>Grant No. XXII-Tribal Welfare</b>					
2852-80-796-11-19-310	Power Subsidy for Industries	18.68	0.00	18.68	9.34
<b>Grant No. XXVII- Agriculture</b>					
2401-00-800-11-35-310	Subsidy for supply of Maize to Poultry farms and Industry	0.00	10.00	10.00	10.00
<b>Grant No. XXXVI-Industries and Commerce</b>					
2852-80-800-11-13-310	Power Subsidy for Industries	179.86	109.22	289.07	306.51
2851-00-103-11-07-310	Interest Subsidy/Rebate Scheme	7.51	0.00	7.51	3.75
2851-00-103-11-64-310	Subsidy on Purchase of Raw Materials	4.50	0.00	4.50	2.25
<b>Total</b>		<b>241.42</b>	<b>119.22</b>	<b>360.64</b>	<b>339.58</b>
<b>Implicit Subsidies</b>					
<b>Grant No. V- Revenue, Registration and Relief</b>					
2235-60-200-20-310	Assistance to Below Poverty Line Families under Accident Insurance Scheme (Apathbandhu)	7.08	0.00	7.08	1.88

Head of Account	Description	Original	Supple- mentary	Total	Expen- diture
<b>Grant No. XI- Roads, Buildings and Ports</b>					
3055-190-04-310	Assistance to TSRTC towards Reimbursement of concessions extended to various categories of Citizens	110.00	0.00	110.00	102.50
<b>Grant No. XVI-Medical and Health</b>					
2210-01-001-11-09-310	Aarogya Sri Health Care Trust	243.52	83.48	327.00	250.00
<b>Grant No. XXI-Social Welfare</b>					
2401-789-11-33-310	Incentives for Milk Production	2.52	0.00	2.52	2.52
2401-789-11-40-310	Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	21.58	0.00	21.58	2.19
2403-00-789-11-37-310	Fodder and Feed Development	0.77	0.00	0.77	0.47
2235-02-789-11-20-310	Interest free loans to DWACRA women(Vaddi leni Runalu)	30.47	0.00	30.47	30.47
2851-789-11-20-310	Incentives to the S.C. Entrepreneurs for Industrial promotion	97.51	0.00	97.51	24.38
2852-80-789-11-17-310	Incentives for Industrial Promotion	66.05	0.00	66.05	16.51
<b>Grant No. XXII-Tribal Welfare</b>					
2401-796-11-40-310	Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	13.06	0.00	13.06	1.42
2403-796-11-33-310	Incentives for Milk Production	1.52	0.00	1.52	1.52
2403-00-796-11-37-310	Fodder and Feed Development	0.47	0.00	0.47	0.26
2852-80-796-11-17-310	Incentives for Industrial Promotion	39.96	0.00	39.96	19.98
2235-02-796-11-21-310	Interest free loans to DWACRA women(Vaddi leni Runalu)	18.43	0.00	18.43	18.43
<b>Grant No. XXVII- Agriculture</b>					
2401-00-110-11-05-310	Assistance to Small and Marginal Farmers towards Premium for Crop Insurance Scheme	105.14	0.00	105.14	11.75
2401-00-115-11-12-310	Crop Loans for Farmers (Pavala Vaddi)	18.05	9.26	27.32	18.29
2401-00-789-11-28-310	Crop Loans for Farmers (Pavala Vaddi)	0.00	1.94	1.94	0.00
2401-00-796-11-12-310	Crop Loans for Farmers (Pavala Vaddi)	0.00	0.79	0.79	0.00
2401-00-789-11-30-310	Interest free Loans to Farmers (Vaddi Leni Runalu) & Crop Insurance	0.00	16.20	16.20	0.00
2401-00-796-11-30-310	Interest free Loans to Farmers (Vaddi Leni Runalu) & Crop Insurance	0.00	6.60	6.60	0.00
2401-00-800-11-30-310	Interest free Loans to Farmers (Vaddi Leni Runalu) & Crop Insurance	150.44	51.47	201.91	126.69
2401-00-800-11-35-310	Subsidy for supply of Maize to Poultry farms and Industry	0.00	10.00	10.00	10.00
<b>Grant No. XXVIII-Animal Husbandry</b>					
2403-00-102-11-27-310	Incentives for Milk Production	12.26	30.00	42.26	42.26
2403-00-107-11-04-310	Fodder and Feed Development	3.69	0.00	3.69	2.54
<b>Grant No. XXXII-Rural Development</b>					
2235-02-103-11-41-310	Interest free loans to DWACRA Women (Vaddi Leni Runalu)	148.44	0.00	148.44	148.44
2501-01-101-11-10-310	Assistance to D.R.D.As for Self-Employment of Self Help Groups of Women in Rural Areas (SHGs)	0.42	0.00	0.42	0.00

Grant No. XXXV-Energy					
2801-05-800-00-11-310	Assistance to Telangana TRANSCO/DISCOMS towards reimbursement under INDIRAMMA Scheme	6.76	0.00	6.76	0.00
Grant No. XXXVI-Industries and Commerce					
2851-00-800-11-08-310	Incentives for Industrial Promotion	200.00	0.00	200.00	50.00
2852-08-201-00-08-310	Assistance to Co-operative Sugar Factories towards reimbursement of Purchase Tax incentives	17.60	0.00	17.60	17.60
2852-80-800-11-04-310	Incentives for Industrial Promotion	50.00	0.00	50.00	12.50
2852-80-800-11-14-310	Extension of Pavala vaddi Scheme to all SSI and Food Processing units	86.23	11.59	97.82	97.82
<b>Total</b>		<b>1,451.97</b>	<b>221.33</b>	<b>1,673.30</b>	<b>1,010.42</b>

**Appendix 2.22**  
**Opening of New Subheads**  
**(Refer paragraph 2.8.1.6; page 47)**

(₹ in crore)

Sl. No.	Grant No. & Name	Head of Account	Name of the Scheme	Original	Supplementary	Total Grant	Expenditure
1.	III-Administration of Justice	4059-60-789-12-(05)	Development of Infrastructure Facilities for Judiciary including Gram Nyayalayas	2.90	0.00	2.90	0.00
2.	III-Administration of Justice	4059-60-796-12-(05)	Development of Infrastructure Facilities for Judiciary including Gram Nyayalayas	1.75	0.00	1.75	0.00
3.	XII-School Education	2202-01-789-12-(09)	Schemes financed from Prarambhik Shiksha Kosh (PSK)	42.58	0.00	42.58	0.00
4.	XII-School Education	2202-01-796-12-(09)	Schemes financed from Prarambhik Shiksha Kosh (PSK)	25.76	0.00	25.76	0.00
5.	XII-School Education	2202-01-800-12-(09)	Schemes financed from Prarambhik Shiksha Kosh (PSK)	177.42	0.00	177.42	0.00
6.	XVI - Medical and Health	2210-02-789-12-(07)	National Mission on Ayush including Mission on Medicinal Plants	2.12	0.71	2.83	0.00
7.	XVII - Municipal Administration and Urban Development	2215-02-107-11-(10)	Assistance to Hyderabad Metro Water Supply & Sewerage Board for Restoration of Glory of Hussainsagar Lake	10.00	0.00	10.00	7.50
8.	XVII-Municipal Administration and Urban Development	2217-80-191-12-(12)	Smart cities	132.28	0.00	132.28	0.00
9.	XVII-Municipal Administration and Urban Development	2217-80-789-12-(12)	Smart cities	31.27	0.00	31.27	0.00
10.	XVII-Municipal Administration and Urban Development	2217-80-796-12-(12)	Smart cities	18.91	0.00	18.91	0.00

Sl. No.	Grant No. & Name	Head of Account	Name of the Scheme	Original	Supplementary	Total Grant	Expenditure
11.	XVIII - Housing	2216-02-789-12-(06)	Sardar Patel Urban Housing Scheme	23.01	0.00	23.01	0.00
12.	XVIII - Housing	2216-02-796-12-(06)	Sardar Patel Urban Housing Scheme	13.92	0.00	13.92	0.00
13.	XVIII-Housing	2216-02-800-12-(06)	Sardar Patel Urban Housing Scheme	112.11	0.00	112.11	0.00
14.	XXI-Social Welfare	2211-00-789-11-(20)	Operational Cost of Fixed Day Health Services (FDHS)(104 Services)	4.39	0.00	4.39	2.19
15.	XXI-Social Welfare	2215-01-789-11-(31)	Water Grid	617.60	0.00	617.60	0.00
16.	XXI-Social Welfare	2216-03-789-11-(10)	Two bed room houses	129.23	0.00	129.23	32.31
17.	XXI-Social Welfare	2236-02-789-11-(10)	Arogya Lakshmi	32.58	0.00	32.58	22.21
18.	XXI-Social Welfare	2401-00-789-11-(49)	Subsidy for Poly Houses (1000 acres)	38.60	0.00	38.60	13.19
19.	XXI-Social Welfare	3456-00-789-11-(12)	Distribution of L.P.G Connection to women in rural areas/municipal areas	7.72	0.00	7.72	3.86
20.	XXII-Tribal Welfare	2211-00-796-11-(20)	Operational Cost of Fixed Day Health Services (FDHS) (104 Services)	2.66	0.00	2.66	1.99
21.	XXII-Tribal Welfare	2215-01-796-11-(31)	Water Grid	373.60	0.00	373.60	0.00
22.	XXII-Tribal Welfare	2216-03-796-11-(10)	Two bed room houses	77.54	0.00	77.54	0.00
23.	XXII-Tribal Welfare	2236-02-796-11-(10)	Arogya Lakshmi	31.65	0.00	31.65	23.56
24.	XXII-Tribal Welfare	3456-00-796-11-(12)	Distribution of L.P.G Connection to women in rural areas/municipal areas	4.67	0.00	4.67	2.34
25.	XXIV-Minority Welfare	2225-80-800-11-(40)	Overseas Study Scheme for Minorities	25.00	0.00	25.00	18.14
26.	XXVII - Agriculture	2401-00-105-12-(13)	Paramparagat Krishi Vikas Yojana	13.54	0.00	13.54	12.08
27.	XXVII - Agriculture	2401-00-789-12-(13)	Paramparagat Krishi Vikas Yojana	2.78	0.00	2.78	2.48
28.	XXVII-Agriculture	2401-00-796-11-(13)	Paramparagat Krishi Vikas Yojana	1.68	0.00	1.68	1.50
29.	XXXI - Panchayat Raj	2215-01-102-11-(31)	Water grid	3,008.80	71.73	3,080.53	71.90
30.	XXXI - Panchayat Raj	2215-02-191-12-(09)	Swachh Bharath Mission –Gramin (SBM-G)	108.47	13.88	122.35	122.35
31.	XXXI - Panchayat Raj	2215-02-789-12-(09)	Swachh Bharath Mission –Gramin (SBM-G)	22.26	10.58	32.85	32.85
32.	XXXI - Panchayat Raj	2215-02-796-12-(09)	Swachh Bharath Mission –Gramin (SBM-G)	13.47	2.52	15.99	15.99

Sl. No.	Grant No. & Name	Head of Account	Name of the Scheme	Original	Supplementary	Total Grant	Expenditure
33.	XXXII-Rural Development	2235-60-200-11-(31)	Aasara pensions to Weavers	36.37	0.57	36.94	36.94
34.	XXXIV-Minor Irrigation	2702-01-101-11-(04)	Restoration of Minor Irrigation Tanks	732.78	0.00	732.78	0.00
35.	XXXIV-Minor Irrigation	2702-01-796-11-(04)	Restoration of Minor Irrigation Tanks	133.37	0.00	133.37	0.00
36.	XXXVI- Industries and Commerce	2852-80-800-11-(19)	Research and Innovation circle of Hyderabad (RICH)	5.00	0.00	5.00	0.00
37.	XXXVI- Industries and Commerce	2852-80-800-11-(20)	User Charges collected from Industries TS-IPASS 2014	0.50	0.00	0.50	0.13
38.	XXXIX - Information Technology, Electronics and Communications	3451-00-090-11-(40)	Assistance to PHOTONICS Valley Corporation	2.00	0.00	2.00	2.00
39.	XXXIX - Information Technology, Electronics and Communications	4070-00-800-11-(20)	Investments in PHOTONICS Valley Corporation	1.00	0.00	1.00	0.75
<b>Total</b>				<b>6,021.27</b>	<b>100.00</b>	<b>6,121.27</b>	<b>426.25</b>

**Appendix 3.1**

**Statement showing submission of accounts and status of audit of autonomous bodies (Section 19 & 20)**

**(Refer paragraph 3.3; page 50)**

Sl. No.	Name of Body/authority	Period of entrustment up to	Year up to which accounts were rendered	Period up to which SAR was issued	Placement of SAR in the Legislature	Comments
1	District Legal Services Authority, (DLSA), Adilabad	-	2009-10	2009-10	-	Accounts from 2010-11 onwards were not produced to Audit
2	DLSA, Hyderabad	-	2010-11	2010-11	-	Accounts from 2011-12 onwards were not produced to Audit
3	DLSA, Karimnagar	-	2014-15	2014-15	-	Accounts for the year 2015-16 was not produced to Audit
4	DLSA, Khammam	-	2010-11	2010-11	-	Accounts from 2011-12 onwards were not produced to Audit
5	DLSA, Mahaboobnagar	-	2015-16	2015-16	-	Draft SAR has been issued. Final SAR is yet to be issued
6	DLSA, Medak	-	2014-15	2014-15	-	Accounts for the year 2015-16 was not produced to Audit
7	DLSA, Nalgonda	-	2014-15	2014-15	-	Accounts for 2015-16 was not produced to Audit
8	DLSA, Nizamabad	-	2011-12	2011-12	-	Accounts from 2012-13 onwards were not produced to Audit
9	DLSA, Rangareddy	-	2014-15	2014-15	-	Accounts for the year 2015-16 was not produced to Audit
10	DLSA, Warangal	-	2008-09	2008-09	-	Accounts from 2009-10 onwards were not produced to Audit
<b>Urban Development Authorities</b>						
11	Kakatiya Urban Development Authority	2010-11 onwards	2012-13	2012-13	2009-10	Accounts from 2013-14 onwards were not produced to Audit
12	Hyderabad Metropolitan Development Authority	2010-11 onwards	2011-12	2011-12	2002-03	Accounts from 2012-13 onwards were not produced to Audit
13	Hyderabad Metropolitan Water Supply & Sewerage Board	2010-11 onwards	2009-10	2005-06	Not required as per bye laws of the Board	Accounts from 2010-11 onwards were not produced to Audit. Draft SARs from 2006-07 to 2009-10 were issued. Final SARs are yet to be issued.
<b>Integrated Tribal Development Agencies</b>						
14	ITDA, Bhadrachalam	2013-14	2010-11	2009-10	Not required as per bye laws of the Board	Accounts from 2011-12 onwards were not produced to Audit. Though the Annual Accounts received for the year 2010-11, resolution was not received
15	ITDA, Utnoor	2013-14	2008-09	2008-09	Not required as per bye laws of the Board	Accounts from 2009-10 onwards were not produced to Audit
16	ITDA, Eturunagaram	2013-14	2006-07	2006-07	Not required as per bye laws of the Board	Accounts from 2007-08 onwards were not produced to Audit

**Appendix 3.2**  
**Statement of Bodies and Authorities whose accounts have not been received (Section 14 & 15)**  
**(Refer paragraph 3.3; page 50)**

Sl. No.	Name of the body/ Authority	Range of No. of Years for which accounts had not been received	No. of annual accounts in arrears as of November 2016
<b>Higher Education</b>			
1 to 9	Universities	1 to 4	18
10 to 63	Aided Colleges	1 to 23	404
64	Telangana State Council of Higher Education	1 to 2	2
65	Regional Centre for Urban and Environmental Studies	1 to 2	2
<b>School Education</b>			
66	Telangana Open School Society	1 to 2	2
67	Telangana State Residential Educational Institutional Society	1 to 2	2
68	Telangana School Educational Society/Sarva Siksha Abhiyan/Rajiv Vidya Mission	1 to 2	2
69	Telangana State Literacy Mission Authority	1 to 2	2
70	Telangana State Education and Welfare Infrastructure Development Corporation	1 to 2	2
71	Hyderabad Akshara Jyothi Samithi, Hyderabad	1 to 10	10
72 to 81	Zilla Grandhalaya Samsthas	1 to 10	43
82 to 90	Zilla Saksharatha Samithis	1 to 16	111
<b>Health Medical and Family Welfare</b>			
91	Telangana State AIDS Control Society	1 to 2	2
92	Telangana State Medical Services Infrastructure Development Corporation	1 to 2	2
93	Telangana State Medicinal and Aromatic Plants Board	1 to 2	2
94	Telangana State Yogadhyayana Parishad	1 to 2	2
95	Indian Institute of Health and Family Welfare	1 to 4	4
96	Nizam's Institute of Medical Sciences	1	1
97	RIMS, Adilabad	1	1
98	Aarogya Sri Health Care Trust	1 to 3	3
<b>Municipal Administration and Urban Development</b>			
99	Quli Qutub Shah Urban Development Authority, Hyderabad	1 to 5	5
<b>Backward Classes Welfare</b>			
100	AP Study Circle, Hyderabad	1 to 9	9
101	AP Study Circle, Warangal	1 to 10	10
102	Telangana BC Finance Corporation, Hyderabad	1 to 2	2
103 to 108	BC Service Cooperative Societies	1 to 11	29
<b>Scheduled Castes Development</b>			
109 to 118	District Scheduled Castes Service Cooperative Societies	1 to 8	46
119	TS SC Finance Corporation	1 to 2	2
<b>Panchayat Raj and Rural Development</b>			
120 to 128	Societies for Training and Employment Promotion (STEPs)	1 to 10	42
129 to 132	District Rural Development Agencies (DRDAs)	1 to 11	33
133 to 141	District Water Management Agencies (DWMAs)	1 to 6	24
142	Society for Elimination of Rural Poverty (SERP)	1 to 2	2
143	Swami Ramananda Tirtha Rural Institute (SRTRI)	1	1

Sl. No.	Name of the body/ Authority	Range of No. of Years for which accounts had not been received	No. of annual accounts in arrears as of November 2016
144	Employment Generation and Marketing Mission (EGMM)	1 to 6	6
<b>Youth Advancement, Tourism and Culture</b>			
145	Dr. Y.S.R National Institute of Tourism and Hospitality Management	1	1
146	Ravindra Bharathi	1 to 10	10
<b>Total</b>			<b>839</b>

**Appendix 3.2(a)**

**Bodies and Authorities whose accounts have not been received for more than 10 years  
(Refer paragraph 3.3; page 50)**

Sl. No.	Name of the body/ authority	Accounts due for No of years
1.	AK Navjivan College, Hyderabad	21
2.	Anwar-Ul-Loom Day college	21
3.	Anwar-Ul-Loom Evening College Hyderabad	21
4.	Dharmavant College of science and commerce, Yakutpura	22
5.	Hindi Mahavidyalaya, Vidyanagar, Hyderabad	14
6.	LN Gupta Evening College of Science & Commerce, Hyderabad	21
7.	New Science College, Naryanaguda, Hyderabad	23
8.	Sri Ramachandra Arts & Science College, Kothagudem	21
9.	Zilla Saksharatha Samiti, Adilabad	15
10.	Zilla Saksharatha Samiti, Mahbubnagar	15
11.	Zilla Saksharatha Samiti, Medak	16
12.	Zilla Saksharatha Samiti, Nalgonda	16
13.	Zilla Saksharatha Samiti, Rangareddy	12
14.	Zilla Saksharatha Samiti, Warangal	12

**Appendix 3.3**  
**Un-reconciled expenditure (₹ 500 crore and above cases only)**  
**(Refer paragraph 3.4; page 51)**

Sl. No.	Department/Controlling Officer	Amount not Reconciled (₹ in crore)
1.	School Education - HOD (MH 2202 General Education, MH 4202 Capital Outlay on Education, Sports, Art and Culture, MH 2204 Sports and Youth Services, MH 2236 Nutrition)	7,975
2.	Energy Secretariat Dept.(MH 6801 Loans for Power Projects, MH 2045 Other Taxes and Duties on Commodities and Services, MH 2801 Power, MH 2810 New and Renewable Energy, MH 3451 Secretariat-Economic Services, MH 4801 Capital Outlay on Power Projects)	5,416
3.	Municipal Administration And Urban Development, Secretariat Department (MH 6215 Loans for Water Supply and Sanitation, MH 6217 Loans for Urban Development, MH 2215 Water Supply and Sanitation, MH 2217 Urban Development, MH 3604 Compensation and Assignments to Local Bodies and Panchayat Raj Institutions )	3,329
4.	C.E., Dr. B.R. Ambedkar Pranahita – Chevella Sujala Sravanthi, II floor, Jalasoudha Building (MH 2700 Major Irrigation, MH 4700 Capital Outlay on Major Irrigation)	2,885
5.	Director Of Tribal Welfare, DS Samkshema Bhavan (MH 2202 General Education, MH 2205 Art and Culture, MH 2210 Medical and Public Health, MH 2211 Family Welfare, MH 2217 Urban Development, MH 2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities, MH 2235 Social Security and Welfare, MH 2401 Crop Husbandry, MH 2403 Animal Husbandry, MH 2405 Fisheries, MH 2515 Other Rural Development Programmes, MH 2801 Power, MH 2810 New and Renewable Energy, MH 2852 Industries, MH 3456 Civil Supplies, MH 4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities, MH 5475 Capital Outlay on other General Economic Services, MH 2236 Nutrition)	2,039
6.	Panchayat Raj, HOD (MH 2515 Other Rural Development Programmes, MH 3604 Compensation and Assignments to Local Bodies and Panchayat Raj Institutions)	1,588
7.	The Chief Engineer, Godavari Lift Irrigation Scheme, Chintagattu (MH 2700 Major Irrigation, MH 2701 Medium Irrigation, MH 4700 Capital Outlay on Major Irrigation, MH 4701 Capital Outlay on Medium Irrigation)	1,519
8.	Chief Engineer Rural Water Supply, Erramanzil (MH 2215 Water Supply and Sanitation, MH 4215 Capital Outlay on Water Supply and Sanitation)	1,482
9.	Backward Classes Welfare, HOD (MH 2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities, MH 4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities)	1,456
10.	Chief Engineer, FMC (SRSP) & SYP, LMD Colony, Karimnagar (MH 2700 Major Irrigation, MH 2701 Medium Irrigation, MH 4700 Capital Outlay on Major Irrigation, MH 4701 Capital outlay on Medium Irrigation)	1,272
11.	Secretary To Government, Planning, Secretariat Department (MH 3451 Secretariat-Economic Services, MH 5475 Capital Outlay on other General Economic Services)	1,125
12.	Scheduled Castes Development, HOD (MH 2202 General Education, MH 2205 Art and Culture, MH 2210 Medical and Public Health, MH 2211 Family Welfare, MH 2216 Housing, MH 2217 Urban Development, MH 2225 Welfare of Scheduled Castes, Scheduled Tribes other Backward Classes and Minorities, MH 2235 Social Security and Welfare, MH 2236 Nutrition, MH 2401 Crop Husbandry, MH 2403 Animal Husbandry, MH 2405 Fisheries, MH 2425 Co-operation, MH 2501 Special Programmes for Rural Development, MH 2515 Other Rural Development Programmes, MH 2801 Power, MH 2851 Village and Small Industries, MH 2852 Industries, MH 3456 Civil Supplies, MH 5475 Capital Outlay on other General Economic Services, MH 4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities)	1,124
13.	Women Development & Child Welfare, HOD (MH 2235 Social Security and Welfare, MH 2236 Nutrition)	1,004
14.	Civil Supplies, HOD (MH 2236 Nutrition, MH 3456 Civil Supplies)	949

<b>Sl. No.</b>	<b>Department/Controlling Officer</b>	<b>Amount not Reconciled</b>
15.	Engineer-In-Chief (Genl.&PR), Erramanzil Colony, Hyderabad (MH 2515 Other Rural Development Programmes, MH 3054 Roads and Bridges)	903
16.	Health, HOD (MH 2210 Medical and Public Health, MH 2211 Family Welfare, MH 2225 Welfare of Scheduled Castes, Scheduled Tribes other Backward Classes and Minorities, MH 3435 Ecology and Environment, MH 3454 Census Surveys and Statistics)	823
17.	Chief Engineer (Projects), Mahbubnagar (MH 2700 Major Irrigation, MH 2701 Medium Irrigation, MH 4700 Capital Outlay on Major Irrigation, MH 4701 Capital Outlay on Medium Irrigation)	820
18.	The Chief Engineer, NSRS Srisailam Project, Gaganvihar, Opposite to Gandhi Bhavan, Hyderabad (MH 2700 Major Irrigation, MH 2701 Medium Irrigation, MH 2801 Power, MH 4700 Capital Outlay on Major Irrigation, MH 4701 Capital outlay on Medium Irrigation, MH 4801 Capital Outlay on Power Projects)	759
19.	Principal Civil Defence DMI (MH 2070 Other Administrative Services)	683
20.	Director of School Education (MH 2202 General Education)	681
21.	Administrator-Cum-Chief Engineer, Sreeram Sagar Project, Stage-I, HOD (MH 2700 Major Irrigation, MH 4700 Capital Outlay on Major Irrigation, MH 4701 Capital outlay on Medium Irrigation)	614
22.	Weaker Section Housing, HOD (MH 2216 Housing, MH 4216 Capital Outlay on Housing, MH 6216 Loans for Housing)	598
23.	Health, Medical & Family Welfare Department, Secretariat Department (MH 2210 Medical and Public Health)	584
24.	Minorities Welfare (MH 2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward classes and Minorities)	532
<b>Total</b>		<b>40,160</b>

**Appendix 3.4**  
**Statement showing Department-wise details of pending DC bills at the end of 2015-16**  
**(Refer paragraph 3.6; page 55)**

(₹ in crore)

Sl. No.	Department	No. of Bills	Amount
1.	Education	455	35.88
2.	Agriculture and Cooperation, Food, Civil Supplies and Consumer Affairs	140	185.20
3.	Animal Husbandry, Dairy Development and Fisheries	24	0.40
4.	Law	74	0.37
5.	Finance	44	2.31
6.	Health Medical and Family Welfare	1201	3.88
7.	Backward Classes Welfare	46	0.13
8.	Panchayat Raj & Rural Development	123	21.39
9.	Transport , Roads and Buildings	26	0.29
10.	Home	287	59.95
11.	Revenue	2129	148.44
12.	Labour, Employment, Training and Factories	31	0.01
13.	Minority Welfare	3	0.00
14.	Municipal Administration and Urban Development	47	21.47
15.	Forest	7	0.05
16.	Rural Development	4	0.04
17.	Scheduled Castes Development	35	0.11
18.	Youth Advancement, Tourism and Culture	107	17.48
19.	Tribal Welfare	66	1.82
20.	Women, Children, Disabled and Senior Citizens	47	0.94
21.	General Administration	118	11.02
22.	Legislature	12	0.17
23.	PAO Works	3	0.36
<b>Total</b>		<b>5,029</b>	<b>511.71</b>

**Appendix 3.5**  
**Statement of Expenditure Major Head wise under Minor Head 800 for the year 2015-16**  
**(Refer paragraph 3.8.1; page 57)**

(₹ in crore)

Sl. No.	Major Head	Name of the Major Head	Total Expenditure	Expenditure under Minor Head 800	Percentage of Column 3 to Column 2
1.	2801	Power	4,416.38	4,167.20	94.36
2.	5054	Capital Outlay on Roads and Bridges	1,418.46	1,576.30	111.13
3.	2236	Nutrition	1,682.11	904.27	53.76
4.	2225	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes & Minorities	4,552.50	860.22	18.90
5.	2501	Special Programmes for Rural Development	1,901.29	817.38	42.99
6.	5475	Capital Outlay on Other General Economic Services	617.51	526.13	85.20
7.	2852	Industries	621.33	486.89	78.36
8.	3054	Roads and Bridges	1,246.90	381.49	30.60
9.	2401	Crop Husbandry	1,042.76	277.79	26.64
10.	2250	Other Social Services	130.00	130.00	100.00
11.	2216	Housing	615.23	126.32	20.53
12.	4225	Capital Outlay on Welfare of SCs, STs, Other Backward Classes & Minorities	346.47	94.39	27.24
13.	2851	Village and Small Industries	156.31	50.43	32.26
<b>Total</b>			<b>18,747.25</b>	<b>10,398.81</b>	<b>55.46</b>

**Appendix 3.5 (a)**  
**Statement of Receipts Major Head Wise under Minor Head 800 for the year 2015-16**  
**(Refer paragraph 3.8.2; page 57)**

(₹ in crore)

Sl. No.	Major Head	Name of the Major Head	Total Receipts	Receipts under Minor Head 800	Percentage of Column 3 to 2
1.	1601	Grants-in-aid from Central Government	9,394.12	3,797.75	40.43
2.	0216	Housing	1,600.68	1,598.99	99.89
3.	0075	Miscellaneous General Services	4,676.95	1,571.93	33.61
4.	0215	Water Supply and Sanitation	1,151.36	1,150.21	99.90
5.	0853	Non-ferrous Mining & Metallurgical Industries	2,212.51	613.16	27.71
6.	0515	Other Rural Development Programmes	366.63	366.63	100.00
7.	0070	Other Administrative Services	256.41	214.81	83.77
8.	0401	Crop Husbandry	145.56	144.90	99.55
9.	0435	Other Agricultural Programmes	118.37	118.37	100.00
10.	0029	Land Revenue	103.71	100.29	96.70
11.	0406	Forestry and Wild Life	104.11	81.14	77.94
12.	0055	Police	218.60	75.04	34.33
13.	1054	Roads and Bridges	42.15	41.38	98.18
<b>Total</b>			<b>20,391.16</b>	<b>9,874.60</b>	<b>48.43</b>

**Appendix 3.6**  
**Statement showing Interest Obligation on Zilla Parishad Provident Fund**  
**(Refer paragraph 3.9.3.4; page 59)**

(₹ in crore)

District	Up to 2011-12	2012-13	2013-14	2014-15	2015-16	Total
Adilabad	25.43	12.10	14.58	16.59	18.85	87.55
Karimnagar	59.65	17.39	19.79	23.73	---	120.56
Khammam	42.36	14.90	17.04	20.21	---	94.51
Mahbubnagar	36.35	3.94	---	---	---	40.29
Medak	27.39	14.09	16.42	19.42	---	77.32
Nalgonda	58.77	17.26	19.44	---	---	95.47
Nizamabad	43.68	11.88	13.69	15.91	---	85.16
Ranga Reddy	17.05	9.15	11.16	12.54	---	49.90
Warangal	36.08	13.95	15.85	---	---	65.88
<b>Total</b>	<b>346.76</b>	<b>114.66</b>	<b>127.97</b>	<b>108.40</b>	<b>18.85</b>	<b>716.64</b>

**Appendix 3.7**  
**Excess payment of pension/family pension etc.**  
**(Refer paragraph 3.11.2; page 62)**

(₹ in lakh)

Sl. No.	Reasons for excess payment	Amount
1.	Excess payment of inadmissible Dearness Relief	9.70
2.	Excess payment of pension due to wrong consolidation	2.47
3.	Short/Non-recovery of commuted portion of pension	2.72
4.	Excess payment of Interim Relief	0.37
5.	Excess payment of Enhanced Family Pension beyond time limit	6.86
6.	Excess payment of Family pension paid beyond time limit	0.52
7.	Excess payment of Medical allowances	0.44
<b>Total</b>		<b>23.08</b>

**Appendix 3.8**  
**Details of non-inclusion of Transactions in Main Accounts**  
**(Refer paragraph 3.11.4; page 63)**

(₹ in crore)

Sl. No.	Vr. No. & Date	MH	Name of DDO	Cheque No.	Date of encashment of Cheque	Amount
1.	2/31.03.2016	2205	Asst. Secretary to Government, Youth Advancement Tourism and Culture Department	005286	13.04.2016	3.75
2.	1/31.03.2016	3425	Asst. Secretary to Government. & DDO, Planning Department	005288	16.04.2016	2.50
3.	47/31.03.2016	3451	Asst. Secretary to Government. & DDO, Planning Department	005289	16.04.2016	1.25
4.	48/31.03.2016	3451	Joint Director & DDO, IT Electronics & Communication Department	005294	22.04.2016	3.00
5.	339392 (Token No.)	2230	Asst. Secretary to Government, Labour Employment and Training Department	005290	22.04.2016	5.00
<b>Total</b>						<b>15.50</b>

Appendix 4.1

Glossary of terms

Terms	Basis of calculation
Average interest paid by the State	Interest payment/[(Amount of previous year’s Fiscal Liabilities + Current year’s Fiscal liabilities)/2] * 100
Balance from Current Revenue (BCR)	Revenue Receipts <u>minus</u> all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction or avoidance of debt
Buoyancy of a parameter	Rate of Growth of parameter/GSDP Growth Rate
Buoyancy of a parameter (X) with respect to another parameter(Y)	Rate of Growth of parameter(X)/ Rate of Growth of parameter(Y)
Development Expenditure	Social Services + Economic Services
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received/[(opening balance + Closing balance of Loans and Advances)/2] * 100
Interest spread	GSDP growth rate – Average Interest Rate
Primary Deficit	Primary deficit defined as the fiscal deficit net of interest payments indicates the extent of deficit which is an outcome of the fiscal transactions of the State’s during the course of the year (Fiscal Deficit – Interest payments)
Quantum spread	Debt stock * Interest spread
Rate of growth (ROG)	[(Current year Amount/Previous year Amount)-1] * 100
Revenue Deficit	Revenue Receipts – Revenue Expenditure
Terms	Description
Absorptive capacity	Absorptive capacity refers to the ability of a State to implement a developmental scheme in such a way that with given resources, there is maximum benefit to the people. This is usually achieved when the design of schemes is well planned with careful risk mitigation strategy in place, administrative costs are low, operation, maintenance, monitoring and control mechanisms are in place etc., so that the State is able to effectively achieve targeted outcomes.
Average interest rate	Average interest rate is defined as the percentage of interest payment made to average financial liabilities of the State during the year (sum of opening and closing balances of fiscal liabilities/2) X 100
Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one <i>per cent</i>
GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production at current prices
Debt Consolidation and Relief Facility	In pursuance of the recommendations of the Twelfth Finance Commission (TFC) for fiscal consolidation and elimination of revenue deficit of the States, Government of India formulated a scheme “The States’ Debt Consolidation and Relief Facility (DCRF) (2005-06 to 2009-10)” under which general debt relief is provided by consolidating and rescheduling at substantially reduced rates of interest the Central loans granted to States of enacting the FRBM Act and debt waiver is granted on fiscal performance, linked to the reduction of revenue deficits of States
Development expenditure	The analysis of the expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances are categorized into social services, economic services and general services. Broadly, the social and economic services

	constitute development expenditure, while expenditure on general services is treated as non-development expenditure.
Debt sustainability	Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time. It means that rise in fiscal deficit should match with the increase in the State's capacity to service the incremental debt from additional revenues generated from the use of such debt in creating income generating capital assets.
Debt stabilization	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive. Given the rate spread (GSDP growth rate- interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would not rise. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Merit goods	Merit goods are commodities that the public sector provides free of cost or at categorized rates because an individual or society should have them on the basis of some concept of need rather than the ability and willingness to pay for their costs. The examples of such goods include the provision of free or subsidized food for the poor to support nutrition, the delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.
Net availability of Borrowed funds	Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.
Primary revenue deficit	Primary revenue deficit defined as gap between non-interest revenue expenditure of the State and its non-debt receipts indicates the extent to which the non-debt receipts of the State are able to meet the primary expenditure incurred under revenue account.
Primary expenditure	Primary expenditure of the State, defined as the total expenditure net of the interest payments, indicates the expenditure incurred on the transactions undertaken during the year.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

## Appendix 4.2 Acronyms and abbreviations

Acronym	:	Full form
AC Bills	:	Abstract Contingent Bills
AIBP	:	Accelerated Irrigation Benefits Programme
APFC	:	Andhra Pradesh Financial Code
APTC	:	Andhra Pradesh Treasury Code
BE	:	Budget Estimates
BRO	:	Budget Release Order
CAB	:	Certificate of Acceptance of Balances
CAG	:	Comptroller and Auditor General of India
CAGR	:	Compounded Annual Growth Rate
CCO	:	Chief Controlling Officer
CE	:	Capital Expenditure
CR	:	Capital Receipts
CPO	:	Chief Planning Office
CTS	:	Curriculum Topic Study
DDO	:	Drawing and Disbursing Officer
DE	:	Development Expenditure
DTA	:	Director of Treasuries and Accounts
DTO	:	District Treasury Office
E-in-C	:	Engineer in Chief
FC	:	Finance Commission
FDR	:	Fixed Deposit Receipt
FRBM	:	Fiscal Responsibility and Budget Management
FRL	:	Fiscal Responsibility Legislation
GCS	:	General Category States
GDP	:	Gross Domestic Product
GHMC	:	Greater Hyderabad Municipal Corporation
GIC	:	General Insurance Corporation of India
GoI	:	Government of India
GPF	:	General Provident Fund
GSB	:	Granular Sub Base
GSDP	:	Gross State Domestic Product
HMDA	:	Hyderabad Metropolitan Development Authority
HUDCO	:	Housing and Urban Development Corporation
ICDS	:	Integrated Child Development Services
IDBI	:	Industrial Development Bank of India
IEDSS	:	Inclusive Education for the Disabled at Secondary Stage
INDIRAMMA	:	Integrated Novel Development in Rural Areas and Model Municipal Areas

Acronym		Full form
IP	:	Interest Payments
ITDA	:	Integrated Tribal Development Agency
LA Act	:	Land Acquisition Act
LIC	:	Life Insurance Corporation of India
MEFS	:	Macro-Economic Framework Statement
MGNREGS	:	Mahatma Gandhi National Rural Employment Guarantee Scheme
MH	:	Major Head
MMER	:	Management, Monitoring Evaluation and Research
NALSAR	:	National Academy of Legal Studies and Research
NPRE	:	Non-Plan Revenue Expenditure
NTR	:	Non-Tax Revenue
O&M	:	Operations and Maintenance
OB	:	Opening Balance
OBMMS	:	Online Beneficiary Management and Monitoring System
OTR	:	Own Tax Revenue
PAO	:	Pay and Accounts Office
PDA	:	Personal Deposit Account
PG	:	Post Graduation
PPO	:	Pension Payment Order
PRI	:	Panchayat Raj Institutions
R & R	:	Resettlement and Rehabilitation
RBI	:	Reserve Bank of India
RDO	:	Revenue Divisional Officer
RIAD	:	Remote Interior Area Development
RIDF	:	Rural Infrastructure Development Fund
RMSA	:	Rashtriya Madhyamika Shiksha Abhiyan
RR	:	Revenue Receipts
RWS&S	:	Rural Water Supply and Sanitation
S&W	:	Salaries and Wages
SAMETI	:	State Agricultural Management and Extension Training Institute
SCA	:	Special Central Assistance
SCSP	:	Scheduled Castes Sub-Plan
SPV	:	Special Purpose Vehicle
SSE	:	Social Sector Expenditure
STO	:	Sub-Treasury Office
TE	:	Total Expenditure
TRANSCO	:	Transmission Corporation
TRICOR	:	TS Scheduled Tribes Cooperative Finance Corporation Limited

<b>Acronym</b>		<b>Full form</b>
TSDISCOMS	:	Telangana State Distribution Companies
TSSCCDC	:	Telangana State Scheduled Castes Co-operative Development Corporation
TSP	:	Tribal Sub Plan
ULB	:	Urban Local Bodies
VAT	:	Value Added Tax
WBM	:	Water Bound Macadam
ZGS	:	Zilla Grandhalaya Samstha
ZP	:	Zilla Parishad
ZPPF	:	Zilla Parishad Provident Fund



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