

## Preface

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This Report has been prepared for submission to the Governor of Telangana under Article 151 of the Constitution.

The State Finances Audit Report of the Government of Telangana intends to assess the financial performance of the State during 2017-18 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report attempts to analyse the financial performance against the targets envisaged by the Telangana Fiscal Responsibility and Budget Management (Amendment) Act, 2011, the Fourteenth Finance Commission Report and Budget Estimates of 2017-18. The Report contains three Chapters.

**Chapter 1** is based on the audit of the Finance Accounts and makes an assessment of the Telangana Government's fiscal position as on 31 March 2018. It provides an insight in to the trends in revenue, expenditure, repayment of debt and borrowing patterns.

**Chapter 2** is based on the audit of the Appropriation Accounts and gives grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

**Chapter 3** is an inventory of Government of Telangana's compliance to various reporting requirements and financial rules.

Entry Conference with Principal Secretary, Finance Department, Government of Telangana was held in November 2018 wherein the issues taken up for review for the State Finances Audit Report were discussed. An Exit Conference was held in January 2019 wherein the audit findings were discussed. Responses of the Government, wherever received, are suitably incorporated.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Audit General of India.

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