



Accounts at a Glance

2021-22



GOVERNMENT OF TELANGANA

PREFACE

This is the eighth issue of our annual publication '**Accounts at a Glance**' in respect of Government of Telangana. The Annual Accounts of the State Government are prepared by the Principal Accountant General (Accounts and Entitlement), Telangana on behalf of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for being laid before the Legislature of the State. The Annual Accounts consists of Finance Accounts and Appropriation Accounts. Finance Accounts are summarized statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

The **Accounts at a Glance** provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts and gives an insight into the financial position of the State. The information is presented through brief explanations, statements and graphs. It is based on the figures in the certified Finance Accounts and Appropriation Accounts and in case of difference, the figures depicted in the Finance and Appropriation Accounts may be treated as correct.



Place: Hyderabad
Date: 22-12-2022

Principal Accountant General (A & E)
Telangana

Our Vision, Mission and Core Values

VISION

(The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.)

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and be recognized for independent, credible, balanced and timely reporting on public finance and governance.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders- the Legislature, the Executive and the Public, that public funds are being used efficiently and for the intended purposes.

MISSION

(Our mission enunciates our current role and describes what we are doing today.)

CORE VALUES

(Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.)

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

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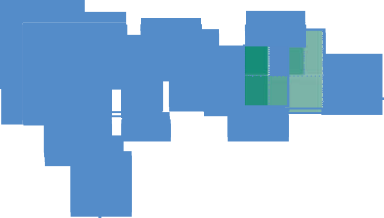
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Chapter I Overview

1.1 Introduction

The Principal Accountant General (Accounts and Entitlements), Telangana compiles the monthly accounts of receipts and expenditure of the Government of Telangana. This compilation is based on (a) Accounts rendered by 33 District Treasuries, 171 Public Works Divisions (33-Roads and Buildings, 11-Public Health, 33-Panchayati Raj, 22-Projects, 33-Finance, 7-National Highways, 32-Irrigation), 29 Forest Divisions, PAO-Telangana Legislature, Pension Payment Office-Hyderabad, PAO-Telangana Bhavan, New Delhi, PAO-Hyderabad and Advices of the Reserve Bank of India.

Following such monthly compilation, the Principal Accountant General (A&E) prepares the Finance Accounts and Appropriation Accounts annually, which are placed before the State Legislature after audit by the Accountant General (Audit), Telangana and certification by the Comptroller and Auditor General of India.

1.2 Structure of Government Accounts

1.2.1 Government accounts are kept in three parts:

Part 1 CONSOLIDATED FUND

All the revenue received by the Government including tax and non-tax revenues, loans raised, and repayment of loans given (including interest thereon) from the Consolidated Fund. All the expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.

The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, not provided in the budget, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Telangana is ₹50.00 crore.

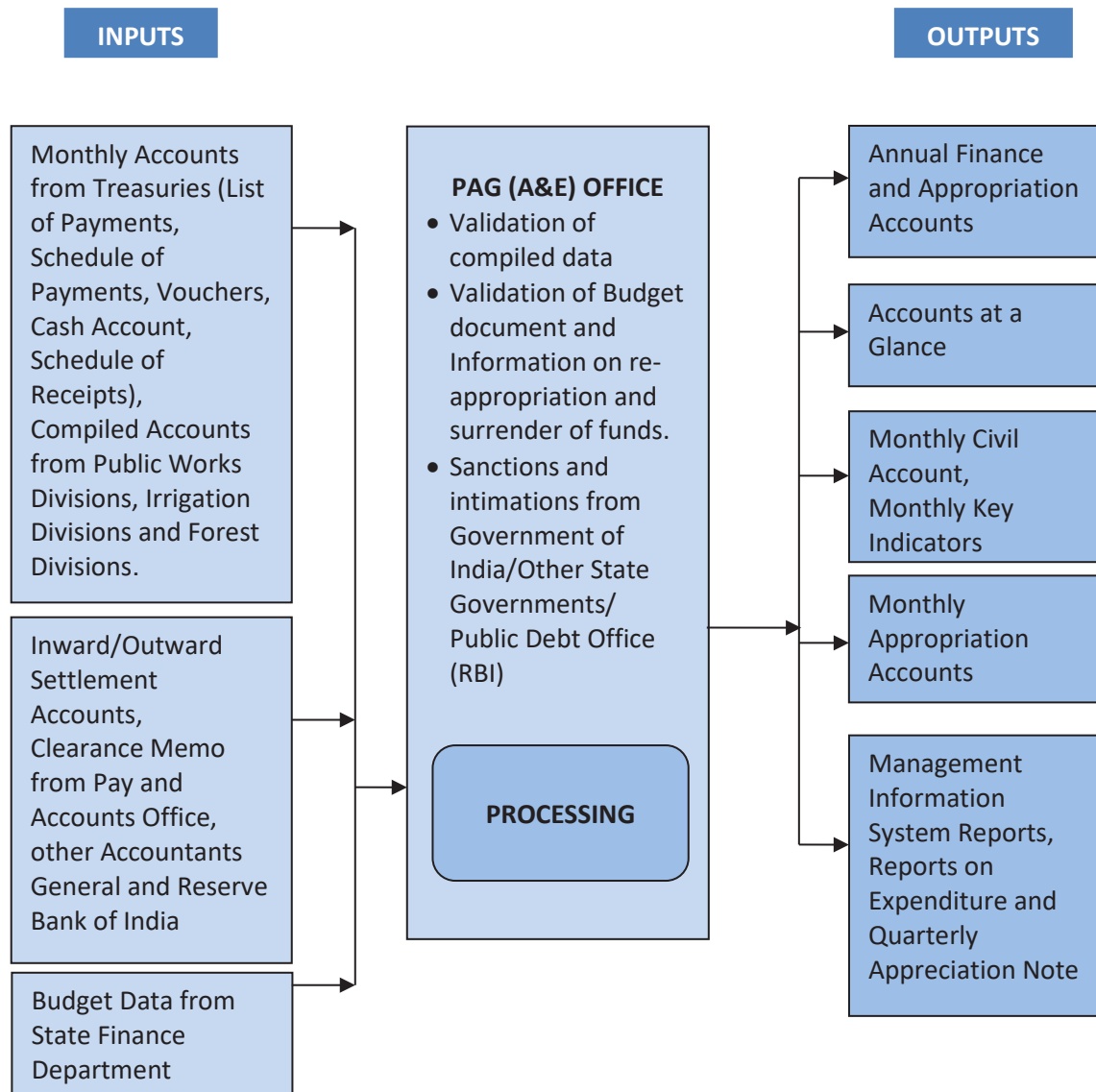
Part 2 CONTINGENCY FUND

Part 3 PUBLIC ACCOUNT

In Public Account, the transactions relating to Debt (Other than those included in Part 1), 'Deposits', 'Advances', 'Remittances' and 'Suspense' shall be recorded. The transactions under Debt, Deposits and Advances in this part are such in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and the recoveries of the later (Advances). The transactions relating to 'Remittances' and 'Suspense' in this part shall embrace all adjusting heads. The transactions such as remittances of cash between treasuries and currency chests and transfer between different accounting circles shall appear here. The initial debits or credits to these heads will be cleared eventually by booking to the final head of account.

1.2.2 Compilation of Accounts

Flow Diagram for Accounts Compilation





1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year together with the financial results disclosed by the Revenue and Capital Accounts, Public Debt and Public Account balances recorded in the accounts. Finance Accounts are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of overall receipts and disbursements. Volume II contains detailed statements (Part-I) and appendices (Part-II).

The 'Notes to Finance Accounts' contains summary of significant accounting policies, comments on quality of accounts and other items like Loans and Advances, Investments, Guarantees etc.

In addition to the Budget approved for the year 2021-22 by the Telangana Legislature, the Government of India effects transfer of funds directly to State Implementing Agencies such as Telangana Livestock Development Agency, Telangana State Civil Supplies Corporation Ltd., Telangana State Road Transport Corporation, etc. for spending on various schemes and programmes. Such transfers (₹18,392 crore in 2021-22) are not reflected in the accounts of the State Government but have been shown at Appendix VI of Finance Accounts.

1.3.2 Financial Highlights of the Year 2021-22

The following table provides the details of actual financial results *vis-a-vis* budget estimates for the year 2021-22:

Sl. No	Component	Budget Estimates (₹ In crore)	Actuals (₹ In crore)	% of Actuals to Budget Estimates	Per centage of Actuals to GSDP for 2021-22 ⁽²⁾
1.	Revenue Receipts (a+b+c)	1,76,127	1,27,468	72	11
	a) Tax Revenue ⁽¹⁾ (including Central Share)	1,06,900	1,09,992	103	10
	b) Non-Tax Revenue	30,557	8,857	29	1
	c) Grants-in-aid and Contributions	38,669	8,619	22	1
2.	Recovery of Loans and Advances	50	48	96	...
3.	Borrowings & Other Liabilities ⁽³⁾	45,510	46,639	102	4
4.	Capital Receipts (2+3)	45,560	46,687	102	4
5.	Total Receipts (1+4)	2,21,687	1,74,155	78	15
6.	Revenue Expenditure	1,69,383	1,36,803	81	12
	a) Grants-in-Aid	83,793	56,631	67	5
	b) Expenditure on Salaries/Wages ⁽⁶⁾	26,081	30,375	116	3
	c) Expenditure on Pensions	10,831	14,025	129	1
	d) Expenditure on Subsidy	12,631	10,218	81	1
	e) Expenditure on Interest Payments (Out of Revenue Expenditure)	17,584	19,161	109	1
	f) Other Expenditure (other than a, b, c, d, & e)	18,463	6,393	37	1
7.	Capital Expenditure ⁽⁴⁾	29,047	28,874		
	a) Expenditure on Capital Account (excluding b)	28,519	28,298	99	2
	b) Expenditure on Salaries/Wages ⁽⁵⁾	528	576	109	...
8.	Loans and Advances Disbursed	23,256	8,469	36	1
9.	Inter State Settlement	...	8	...	...
10.	Total Expenditure ⁽⁶⁾ (6+7+8+9)	2,21,686	1,74,154	79	14
11.	Revenue Surplus/Deficit (1-6)	6,744	9,335	138	1
12.	Fiscal Deficit (1+2-10)	45,510	46,639	102	4
13.	Primary Deficit {(1+2) - (9-6 b)}	27,925	27,478	98	2

Table 1.3.2

Figures in italics represent significant deviations between BE and Actuals.

- (1) Includes share of net (tax) proceed assigned to the state amounting to ₹18,720 crore.
- (2) Gross State Domestic Product (GSDP) is a measure, in monetary terms, of the volume of all goods and services within the boundaries of the State during a given period of time. The figure (₹11,48,515 crore) is sourced from the Ministry of Statistics and Programme Implementation, GOI.
- (3) Borrowings and other liabilities: Net (Receipts-Disbursements) of Public Debt (₹42,936 crore) + Net of Contingency fund {₹ Nil} + Net (Receipts- Disbursements) of Public Account (₹3,773 crore) - Net of Opening and Closing cash balance (₹70 crore).
- (4) Expenditure does not include Public Debt (₹76,117 crore) as net of Public Debt has been taken under Borrowings and Other Liabilities.
- (5) Includes salaries/wages towards work charged establishment (₹171 crore).
- (6) Includes salaries met from Grants-in-aid (₹ 4,768 crore) as well.

1.3.3 Receipts during the year

(₹ In crore)

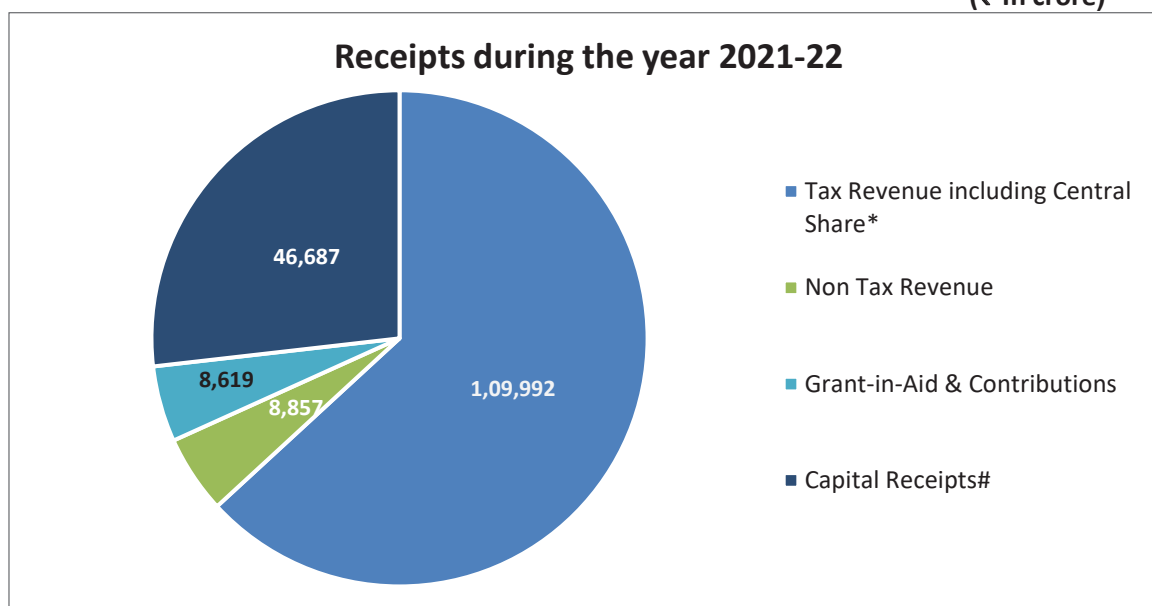


Fig 1.3.3

*Includes share of net (tax) proceed assigned to the state amounting to ₹18,721 crore.

#Capital receipts include Recovery of Loans and Advances (₹48 crore) + Borrowings and other liabilities (₹46,639 crore) [Net (Receipts-Disbursements) of Public debt (₹42,936 crore) + Net of Contingency fund {₹ 0} + Net (Receipts-Disbursements) of Public Account (₹3,773 crore) - Net of Opening and Closing cash balance ₹70 crore]].

1.3.4 Disbursements during the year

(₹ In crore)

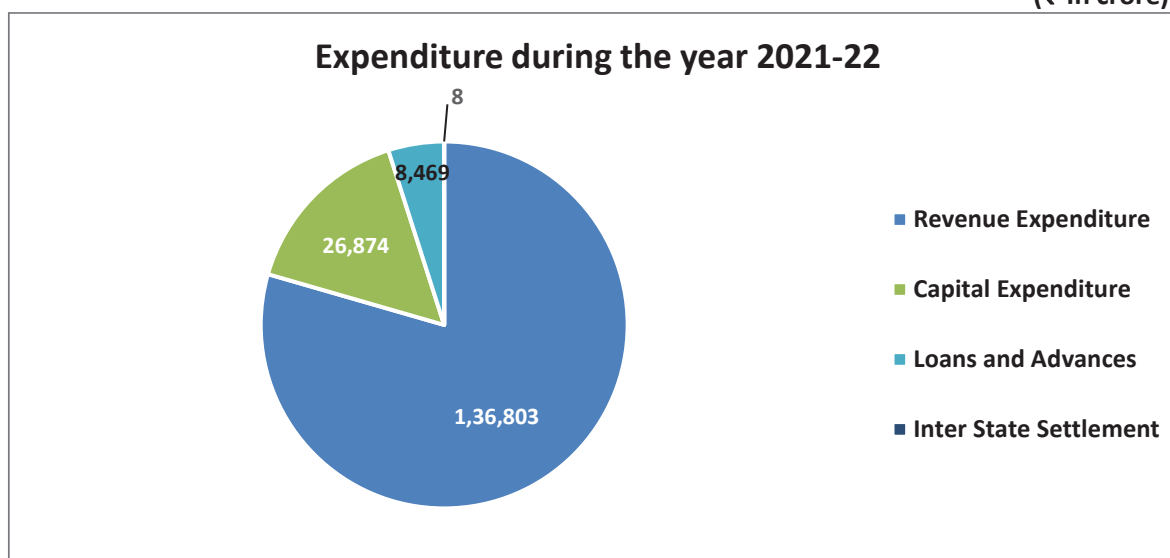
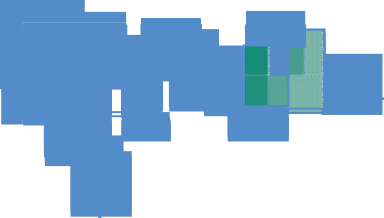


Fig 1.3.4

1.3.5 Appropriation Accounts

Under Article 204(3) of the Constitution of India, no expenditure can be incurred by the Government except with the authorisation of the Legislature. Barring certain expenditure specified in the Constitution as “Charged” on the Consolidated Fund, which can be incurred without vote of the



Legislature, all other expenditure requires to be “Voted”. The budget of Government of Telangana has 40 grants consisting of 14 charged appropriations and 40 voted sections. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriations authorised by the Legislature through the Appropriation Act of each year.

1.3.6 Efficiency on Budget Preparation

The Government of Telangana incurred net excess expenditure of ₹75,053 crore (29 *per cent* of estimates) in 11 Grants/Appropriations against the approved budget of ₹2,55,017 crore by the State Legislature during the year 2021-22.

The excess expenditure in Public Debt section was mainly under Fiscal Administration, Planning, Survey & Statistics. Of these, the expenditure under Fiscal Administration, Planning, Survey & Statistics was ₹76,117 crore (including ₹67,274 crore on account of repayment of Ways and Means Advances) against the Budget allocation of ₹9,273 crore exceeding the Budget by ₹66,844 crore (720 *per cent*).

In Capital section, the excess expenditure occurred mainly under the grants Major and Medium Irrigation, Medical and Health and Panchayat Raj. Of these, the expenditure under Medical Health was ₹509 crore against the Budget allocation of ₹382 crore exceeding the Budget by ₹128 crore (34 *per cent*).

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Special Drawing Facility/Ways and Means Advances are taken from the Reserve Bank of India to maintain the agreed minimum cash balance which the state Government is required to maintain with the Reserve Bank of India. During 2021-22, the Government of Telangana availed Special Drawing Facility of ₹9,636 crore for 289 days, and Ways and Means Advances of ₹34,969 crore for 259 days.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from Reserve Bank of India when the cash balance falls below the limit prescribed by Reserve of India i.e., ₹1.38 crore for the state of Telangana, (even after taking ways and means advances) which is required to be maintained with Reserve Bank of India. During the year 2021-22, Overdraft of ₹22,669 crore was availed for 100 days by the Government of Telangana.

1.4.3 Fund flow statement

The State had a Revenue Deficit of ₹9,335 crore and a Fiscal Deficit of ₹46,639 crore as on 31 March 2022. The Fiscal Deficit was met from net of Borrowings and other Liabilities [Public Debt (₹42,936 crore), Public Account (₹3,773 crore) and Cash balance ((-) ₹70 crore)]. Around 50 per cent of the Revenue Receipts (₹1,27,468 crore) of the State Government was spent on Committed Expenditure like Salaries (₹30,375 crore), Interest Payments (₹19,161 crore) and Pensions (₹14,025 crore).

1.4.4 Sources and Applications of Funds

		(₹ In crore)
PARTICULARS		AMOUNT
SOURCES	Opening Cash Balance as on 01.04.2021	(-)6
	Revenue Receipts	1,27,469
	Recovery of Loans and Advances	48
	Capital Receipts	...
	Public Debt	51,778
	Small Savings, Provident Fund and Others	2,659
	Reserves and Sinking Funds	1,353
	Deposits Received	73,309
	Civil Advances Repaid	...
	Suspense and Miscellaneous	22,098
	Remittances	1,130
	Contingency Fund	...
	TOTAL	2,79,838
APPLICATION	Revenue Expenditure	1,36,803
	Capital Expenditure	28,874
	Loans Given	8,469
	Repayment of Public Debt	8,843
	Small Savings, Provident Fund and Others	1,592
	Reserve and Sinking Funds	2,985
	Deposits Spent	72,086
	Civil Advances Given	...
	Suspense and Miscellaneous	19,601
	Remittances	513
	Inter State Settlement	8
	Contingency Fund	...
	Closing Cash Balance as on 31.03.2022	64
	TOTAL	2,79,838

Table 1.4.4

1.4.5 Where Rupee came from

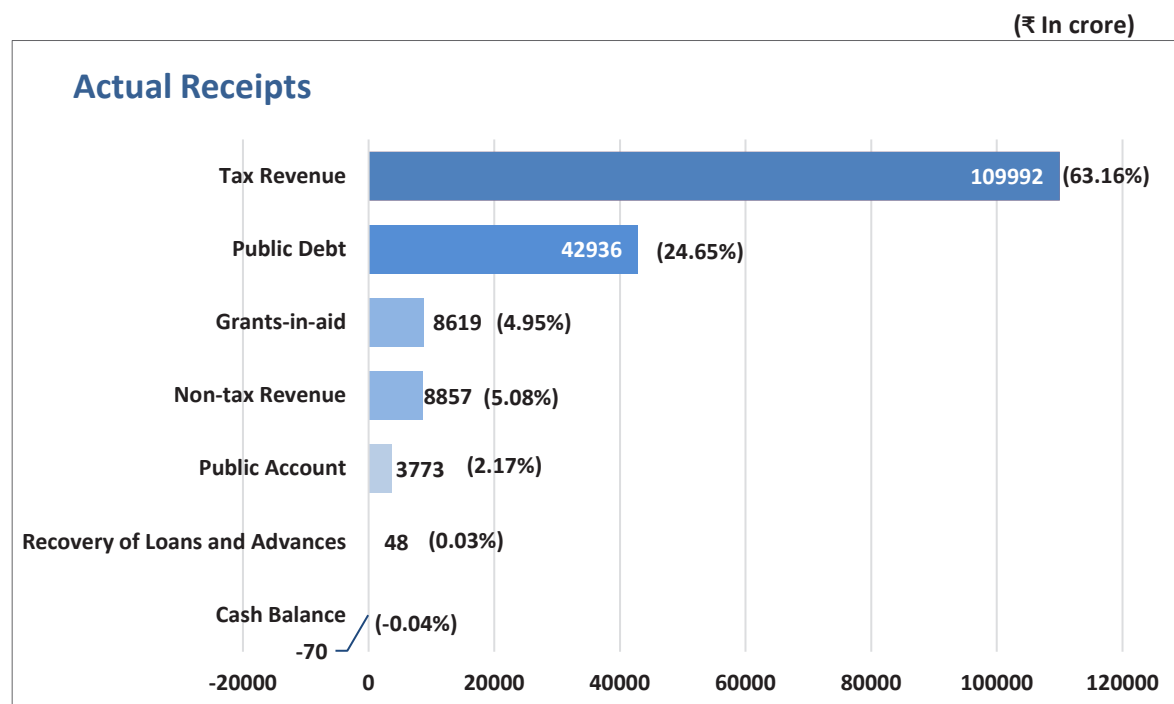
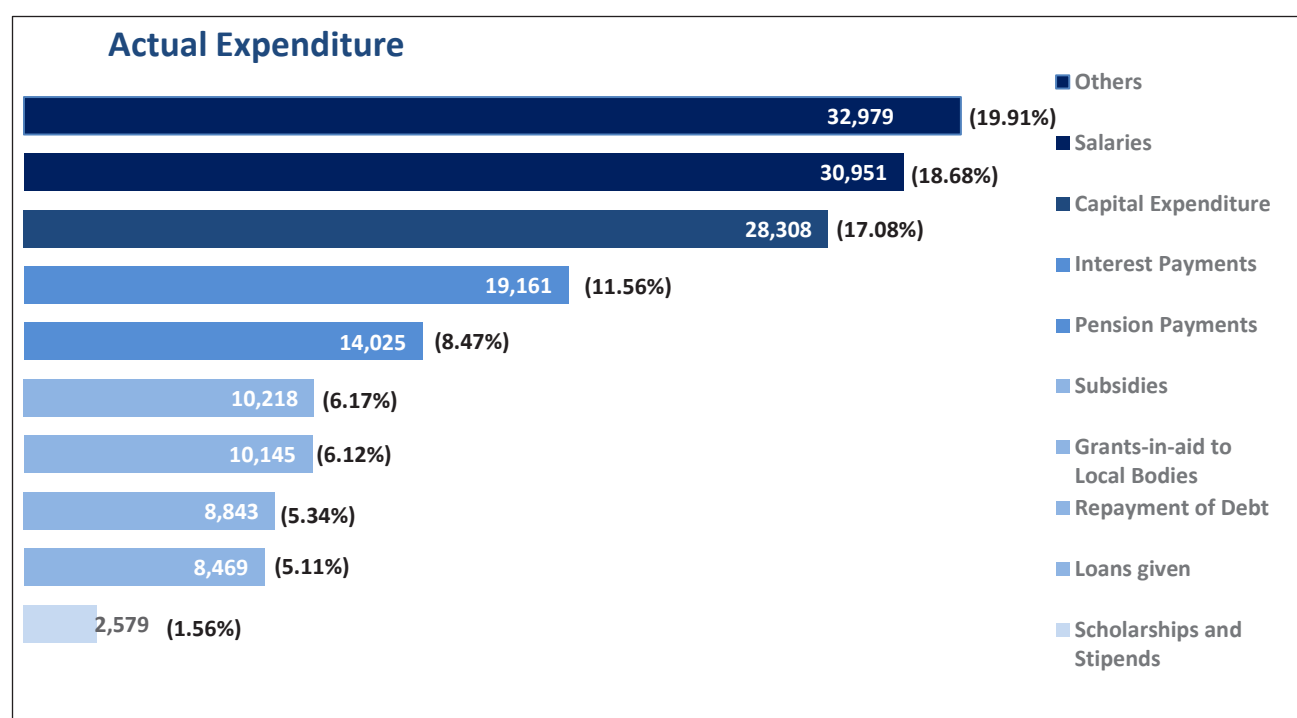


Fig 1.4.5

Note: Public Account and Cash Balance components above are taken as 'net' and not 'gross' as shown in the Sources & Application Table (Para 1.4). Public Debt does not include Receipt and Expenditure of Special Drawing facility/Ways and Means Advances/Overdraft.

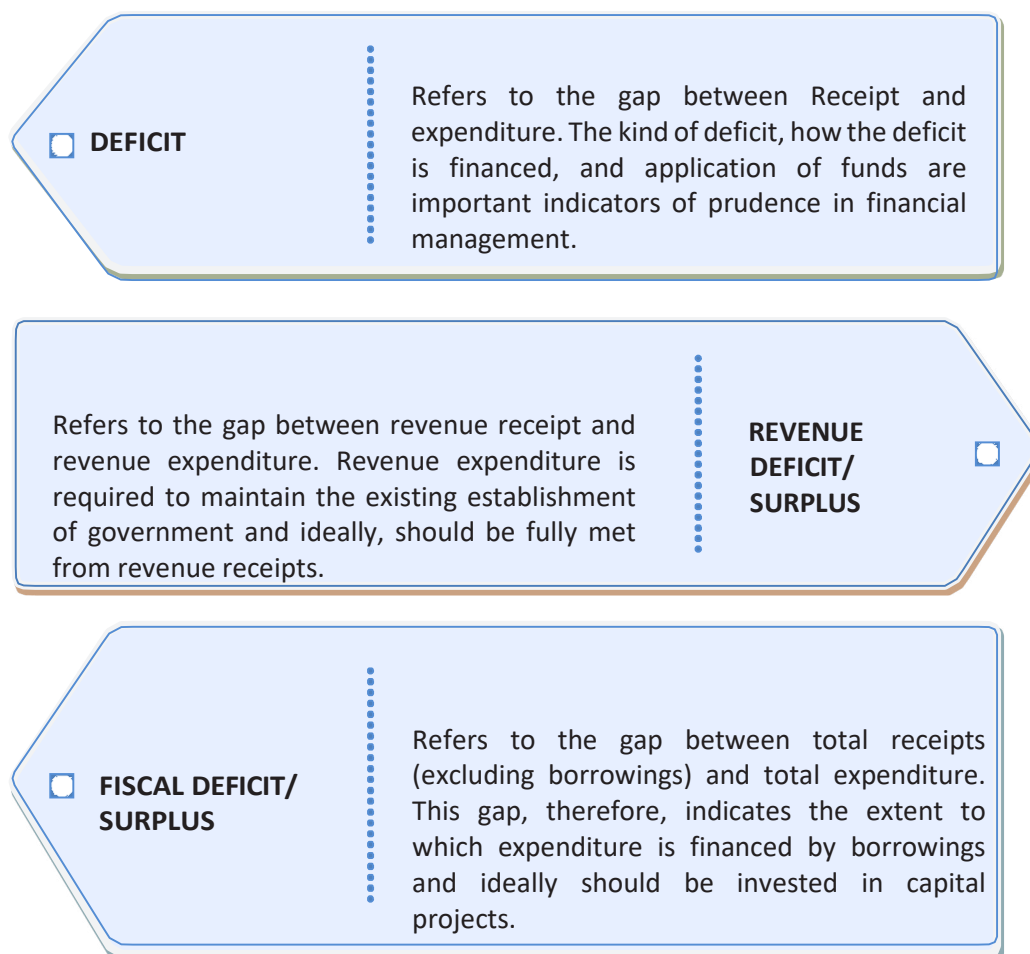
1.4.6 Where Rupee went



Note: Capital expenditure excludes Salaries and Wages (010/020) ₹576 crore.

Fig 1.4.6

1.4.7 What do the deficits and surpluses indicate?



The Twelfth Finance Commission recommended that States enact their own Fiscal Responsibility and Budget Management (FRBM) Acts which commits them to achieve Revenue Surplus while limiting Fiscal Deficit to 3 per cent of GSDP. Government of Telangana has adopted “The Andhra Pradesh Fiscal Responsibility and Budget Management Act 2005” as **“The Telangana Fiscal Responsibility and Budget Management Act 2005”** in accordance with section 101 of Andhra Pradesh Re-organisation Act 2014 vide G.O.Ms.No.45, Law(F), dated 01 June 2016 and Subsequently enacted as FRBM (Amendment) Act, 2020 published in Telangana Gazette dated 19th September 2020.

The State Government had a Revenue Surplus upto 2018-19 which has come down to a **Revenue Deficit of ₹9,335 crore** (₹22,298 crore deficit in 2020-21) and **Fiscal Deficit of ₹46,639 crore** (₹49,038 crore in 2020-21) which are 0.81 *per cent* and 4.06 *per cent* of GSDP* respectively. **The Fiscal Deficit constituted 27 per cent** of total receipts (₹1,74,155 crore).

Around **50 per cent** of the Revenue Receipts (₹1,27,469 crore) of the State Government was spent on Committed Expenditure like Salaries² (₹30,375 crore), Interest Payments (₹19,161 crore) and Pensions (₹14,025 crore).

*GSDP figure of ₹11,48,515 crore as provided by Ministry of Statistics and Programme Implementation, GOI.

1.5 Deficit/Surplus

1.5.1 Trend of Revenue Surplus/Deficit

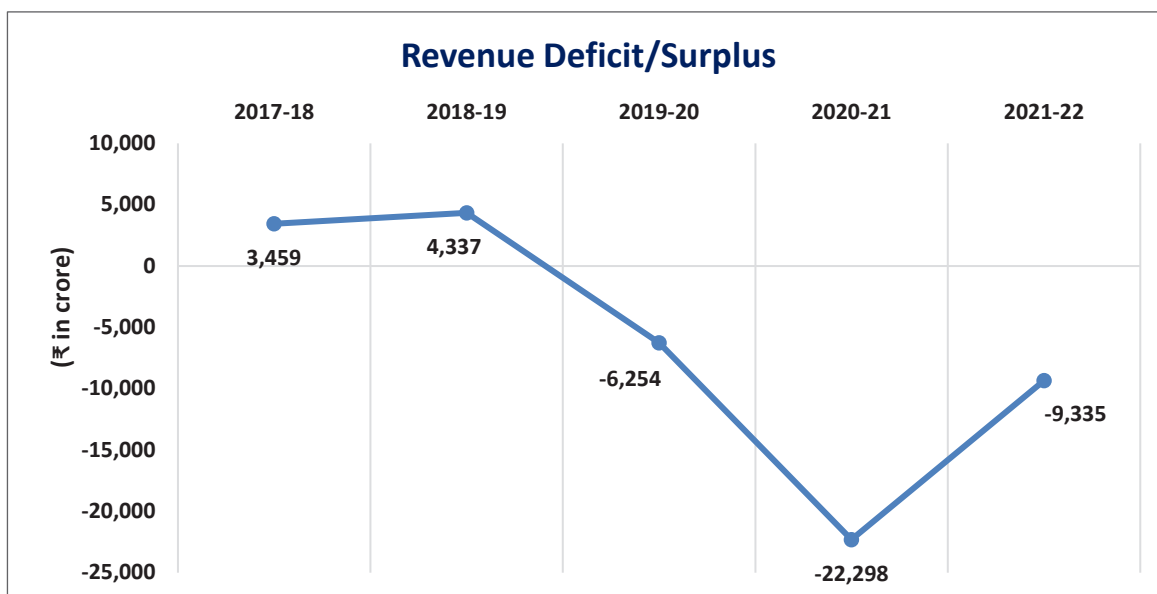


Fig 1.5.1

1.5.2 Trend of Fiscal Deficit

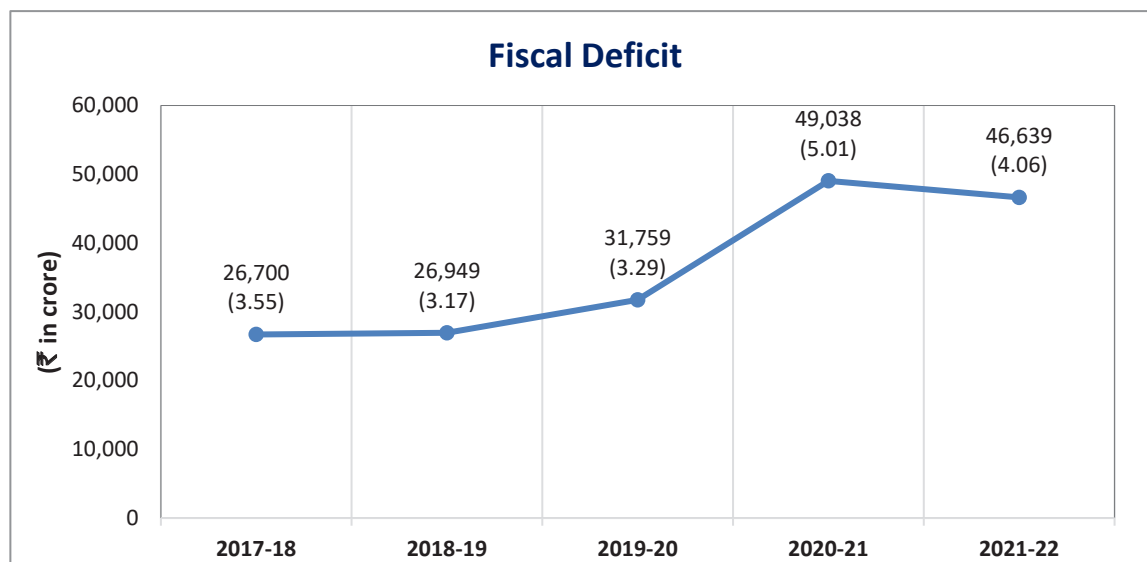


Fig 1.5.2

Figures in brackets represent *percentage* of GSDP for that year.

1.6 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

Disclosure under Telangana Fiscal Responsibility and Budget Management (FRBM/MTFP) Act, 2005: In terms of Section 5 of the Telangana Fiscal Responsibility and Budget Management (FRBM) Act 2005 and Telangana FRBM (Amendment) Act 2020, the Government of Telangana presented the Medium Term Fiscal Policy and Strategy Statement along with the State Budget for 2021-22. The targets mentioned in the amended Act and achievements in 2021-22 as depicted in the Accounts are as follows:

Sl. No.	Targets for 2021-22	Achievements during the year as per the Accounts and GSDP*
1.	Revenue Surplus: To be maintained.	The Government of Telangana had a Revenue Deficit of ₹9,335 crore in 2021-22 (0.81 per cent of GSDP)
2.	Fiscal Deficit shall not exceed 3.00 per cent during the period 2021-22	The Fiscal Deficit of ₹46,639 crore as per the accounts was 4.06 per cent of GSDP for 2021-22.
3.	Outstanding debt expressed as percentage of GSDP shall be less than 25 per cent of GSDP during 2021-22.	The outstanding debt for Government of Telangana (₹3,14,662 crore)** was 27.40 per cent of GSDP

* GSDP figure at current prices for 2021-22: ₹11,48,515 crore, Ministry of Statistics and Programme Implementation, GOI.

** This debt does not include ₹6,949 crore, which was passed on as back to back loans for the years 2020-21 (₹2,380 crore) and 2021-22 (₹4,569 crore) by GoI in lieu of shortfall in GST Compensation, vide GoI's letter No.F.No.40(1) PF-S/2021-22 dated 10-12-2021.

...oOo...

Chapter II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts of Telangana for 2021-22 were ₹1,74,155 crore against a budget estimate of ₹2,21,687 crore.

2.2 Revenue Receipts

The Revenue receipts of the State Government comprises of Tax Revenue, Non- tax Revenue and Grants-in-aid received from the Union Government.

TAX REVENUE

Comprises taxes collected and retained by the State and State's share of Union Taxes under Article 280 (3) of the Constitution.

Includes interest receipts, dividend, profits, departmental receipts etc.

NON-TAX REVENUE

GRANTS-IN-AID

Grants-in-aid represent Central Assistance to the State Government from the Union Government. It also includes "External Grant Assistance" and "Aid, Material and Equipment" received from Foreign Government and channelized through the Union Government.

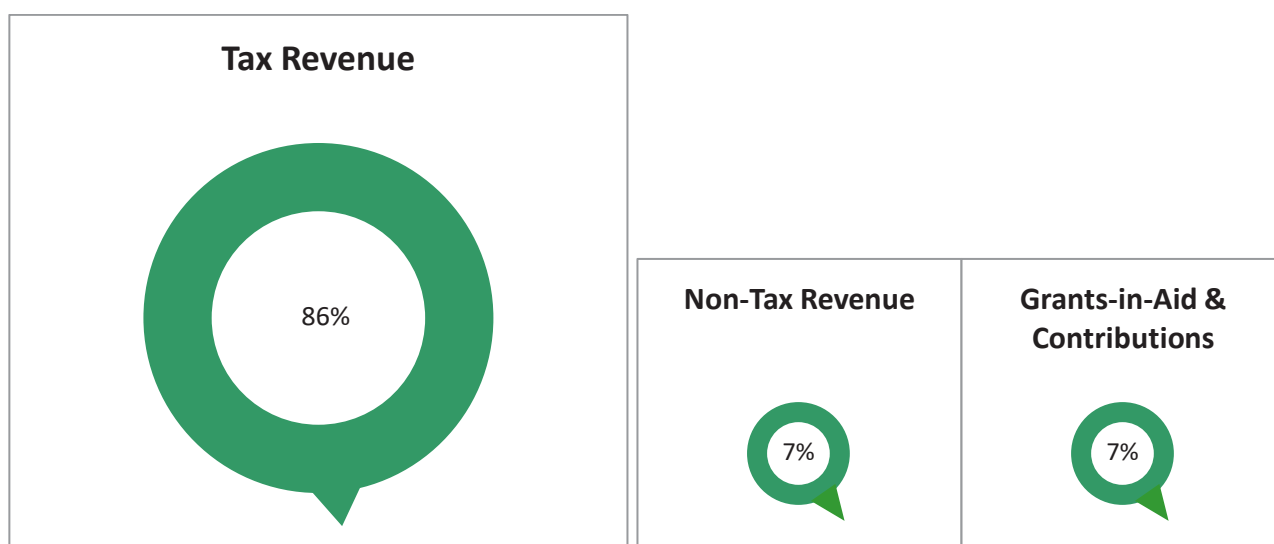


Fig 2.2

2.2.1 Revenue Receipts Components (2021-22)

Components		Actuals (₹ In crore)	Percentage to Total Revenue Receipts
A.	Tax Revenue*	1,09,992	86
	Goods and Services Tax	34,490	27
	Taxes on Income & Expenditure	10,871	8
	Taxes on Property & Capital Transactions	12,375	10
	Taxes on Commodities & Services	52,256	41
B.	Non-Tax Revenue	8,857	7
	Interest Receipts, Dividends and Profits	72	...
	General Services	4,224	3
	Social Services	2,093	2
	Economic Services	2,468	2
C.	Grants-in-aid & Contributions	8,619	7
	Total Revenue Receipts	1,27,468	100

Table 2.2.1

*Includes share of net proceeds assigned to State (₹18,721 crore) received from the Government of India.

2.2.2 Trend of Revenue Receipts

(₹ In crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Revenues (Raised by the State)	56,520	64,674	67,597	66,650	91,271
State Share of Union Taxes/Duties	16,420	18,561	15,988	12,692	18,721
Non-Tax Revenues	7,825	10,007	7,360	6,101	8,857
Grants in Aid	8,059	8,178	11,598	15,471	8,619
Total Revenue Receipts	88,824 (11.81)	1,01,420 (11.72)	1,02,543 (10.58)	1,00,914 (10.29)	1,27,468 (11.10)
GSDP	7,52,230	8,65,688	9,69,604	9,80,407	11,48,515

Note: Figures in parenthesis represent percentage to GSDP.

Table 2.2.2

The proportion of the State's Own Tax Revenue to GSDP is 8 *per cent*. There was an increase in revenue receipts by 26.31 *per cent* in 2021-22 as compared to previous year. The total tax revenue (including share of Union Taxes) increased by 37 *per cent*, the non-tax revenue increased by 45 *per cent* and Grants in Aid decreased by 44 *per cent* in comparison to previous year.

2.2.3 Trend of Components of Revenue Receipts

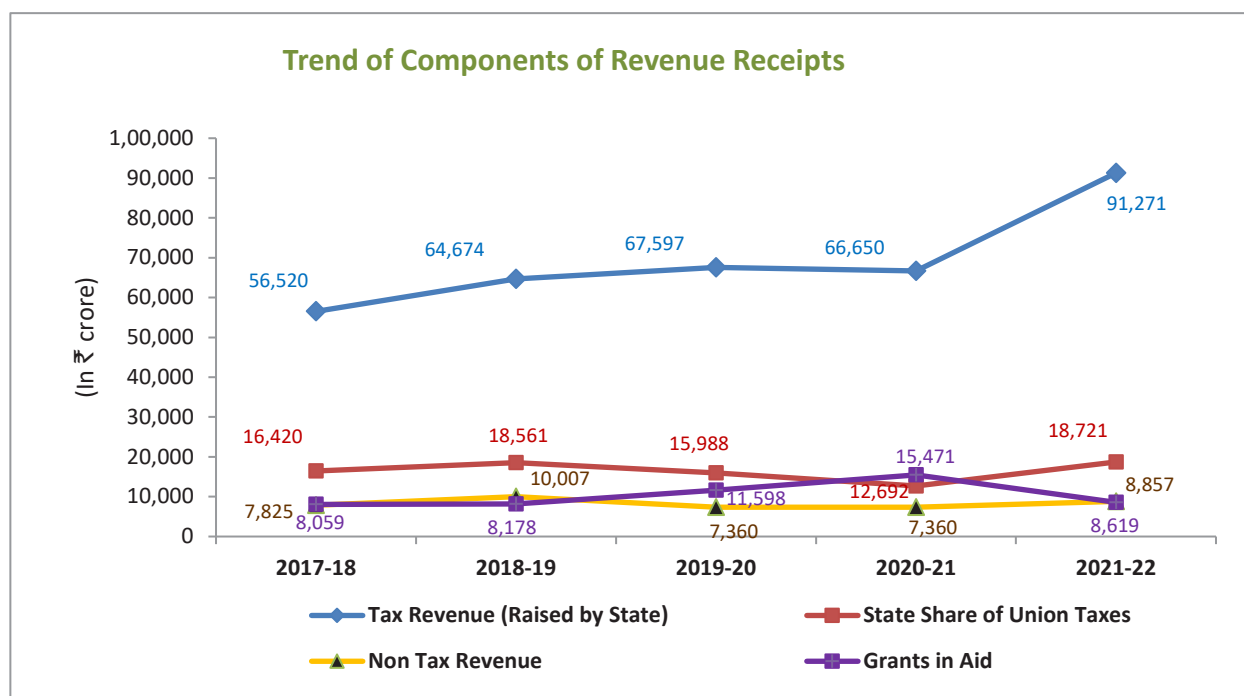


Fig 2.2.3 (a)

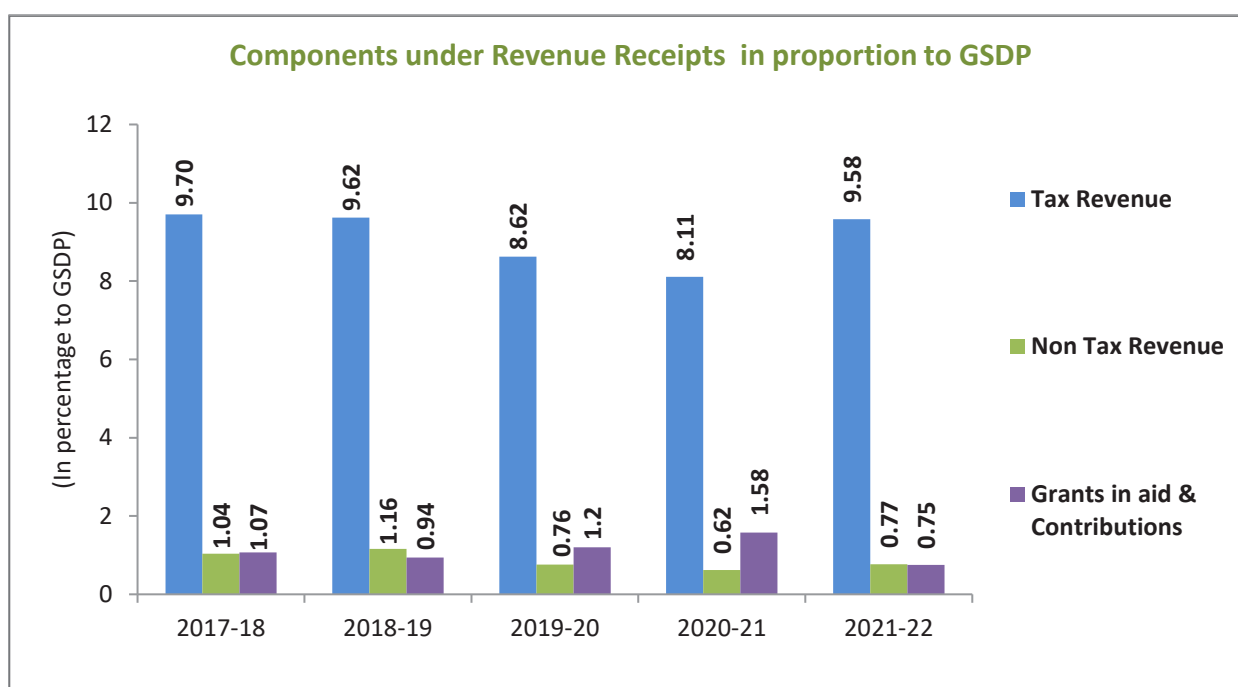


Fig 2.2.3 (b)

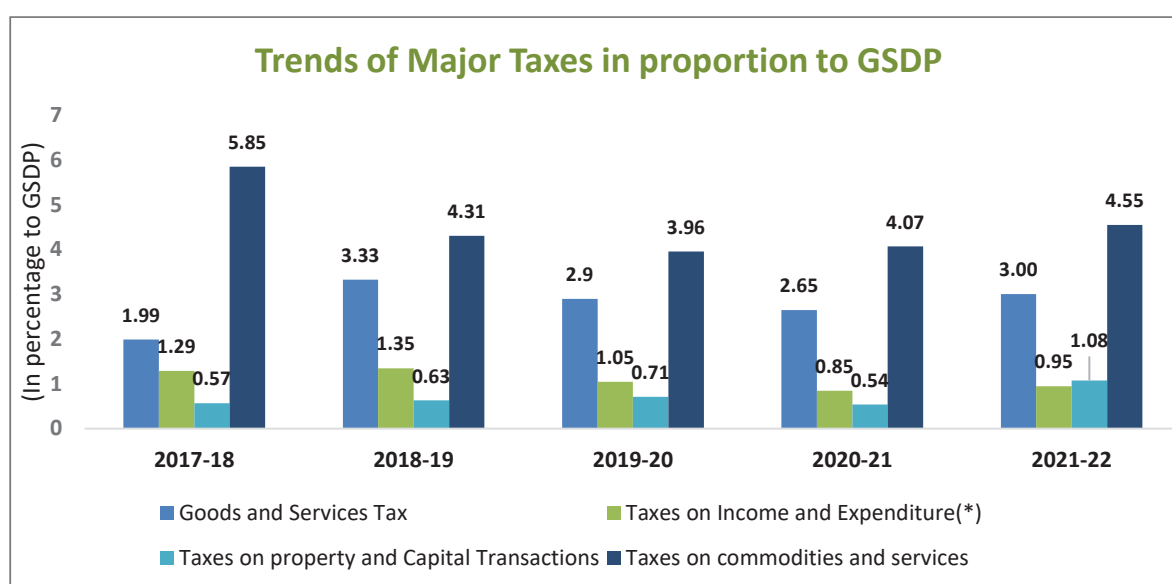
2.3 Tax Revenue

(₹ In crore)

Trend of Sector-wise Tax Revenue over the past 5 years						
	2017-18	2018-19	2019-20	2020-21	2021-22	Percentage increase / decrease to 2020-21
a. Goods and Services Tax	14,961 (1.99)	28,786 (3.33)	28,053 (2.90)	25,905 (2.64)	34,490 (3.00)	33
b. Taxes on Income and Expenditure	9,683 (1.29)	11,693 (1.35)	10,249 (1.05)	8,342 (0.85)	10,871 (0.94)	30
c. Taxes on Property and Capital Transactions	4,313 (0.57)	5,483 (0.63)	6,873 (0.71)	5,297 (0.54)	12,375 (1.08)	134
d. Taxes on Commodities and Services	43,983 (5.85)	37,273 (4.31)	38,410 (3.96)	39,798 (4.06)	52,256 (4.55)	31
Total Tax Revenues	72,940 (9.70)	83,235 (9.61)	83,585 (8.62)	79,342 (8.09)	1,09,992 (9.58)	39
GSDP	7,52,230	8,65,688	9,69,604	9,80,407	11,48,515	17

Note: (i) GSDP figures as provided by the Ministry of Statistics and Programme Implementation, GOI.
(ii) Figures in parenthesis represent percentage to GSDP

Table 2.3



(*) Primarily net proceeds of State's share of Union Taxes

Fig 2.3

2.3.1 Major Contributors to Tax Revenue

(₹ In crore)

Components	Actuals	Percentage to GSDP
Goods and Services Tax (GST)	34,490	3.00
Taxes on Sales, Trade, etc.	26,974	2.35
State Excise	17,482	1.52
Stamps and Registration fees	12,373	1.08
Corporation Tax	4,649	0.40

Table 2.3.1(a)

Major variations between Actual Receipts and Budget Estimates:

(₹ In crore)

Actual Receipts was less than Budget Estimates		Actual Receipts was more than Budget Estimates	
Stamps and Registration Fee	877	Central Goods and Service Tax	1,053
Taxes on Vehicles	619	Customs	660
State Goods and Services Tax (SGST)	2,083	State Excise	482

Table 2.3.1(b)

2.4 Efficiency of Tax Collection

(₹ In crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
1. Taxes on Sales, Trade etc.					
Revenue collection*	25,106	20,291	20,674	20,904	26,974
Expenditure on collection	217	196	208	216	251
Cost of Collection (as % of Revenue collection)	0.87	0.97	1.00	1.03	0.93
2. State Excise					
Revenue collection*	9,421	10,638	11,991	14,370	17,482
Expenditure on collection	251	255	254	287	345
Cost of Collection (as % of Revenue collection)	2.66	2.39	2.12	2.00	1.97
3. Taxes on Vehicles, Goods and Passengers					
Revenue collection*	3,589	3,762	3,935	3,338	4,381
Expenditure on collection	76	79	129	86	109
Cost of Collection (as % of Revenue collection)	2.12	2.11	3.28	2.58	2.49
4. Stamps and Registration Fee					
Revenue collection*	5,179	6,625	6,671	5,243	12,373
Expenditure on collection	104	89	90	75	122
Cost of Collection (as % of Revenue collection)	2.01	1.35	1.35	1.43	0.99

Table 2.4

(*) Excludes State's share of Union Taxes

Taxes on Sales, Trade etc. form a major chunk of Tax revenue. The *percentage* of expenditure on collection of Taxes on Vehicles, Goods and Passengers and State Excise are high as compared to other taxes.

2.5 Trend in State's share of Union Taxes

(₹ In crore)

Major Head description	2017-18	2018-19	2019-20	2020-21	2021-22	Per centage Increase/ decrease to 2020-21
(a) Goods and Services Tax	1,888	4,946	4,537	3,715	5,573	50
Central Goods and Services Tax	231	4,581	4,537	3,715	5,573	50
Integrated Goods and Services Tax	1,657	365	...	...	...	...
(b) Taxes on Income & Expenditure	9,270	11,241	9,722	7,831	10,284	39
Corporation Tax	5,026	6,454	5,451	3,865	4,649	20
Taxes on Income other than Corporation Tax	4,244	4,753	4,271	3,966	5,635	42
Other taxes on Income and Expenditure	...	34	527	...	...	100
(c) Taxes on Property & Capital Transactions	...	2	...	...	...	100
Taxes on Wealth	...	2	...	...	...	100
(d) Taxes on Commodities & Services	5,262	2,372	1,731	1,146	2,863	150
Customs	1,657	1,316	1,013	649	1,505	132
Union Excise Duties	1,732	874	705	422	899	113
Service Tax	1,873	172	...	63	438	595
Other taxes and duties on commodities and services	...	10	13	12	19	75
State's share of Union Taxes	16,420	18,561	15,987	12,692	18,721	3.59
Total Tax Revenue	72,940	83,235	83,585	79,342	1,09,992	38.63
Percentage of Union Taxes to Total Tax Revenue	23	22	19	16	12	...

Table 2.5

2.6 Goods and Services Tax

Goods and Services Tax (GST) which was introduced with effect from 01.07.2017, is an indirect tax on the supply of goods and services. It replaced all indirect taxes levied on goods and services by the Central and State governments. The Act was passed in accordance with the provisions of Article 368 of the Constitution. It is a dual GST with the Centre and the States simultaneously levying tax on a common base. GST to be levied by the Centre would be called Central GST (CGST) and that to be levied by the States would be called State GST (SGST). An Integrated GST (IGST) would be levied on Inter-State supply (including stock transfers/Imports) of goods or services. GST is levied at rates to be mutually agreed upon by the Centre and the States on the recommendations of the GST Council. During the year, an amount of ₹5,573 crore was received on account of CGST and an amount of ₹28,917 crore was collected on account of SGST.

Goods and Services Tax during 2021-22

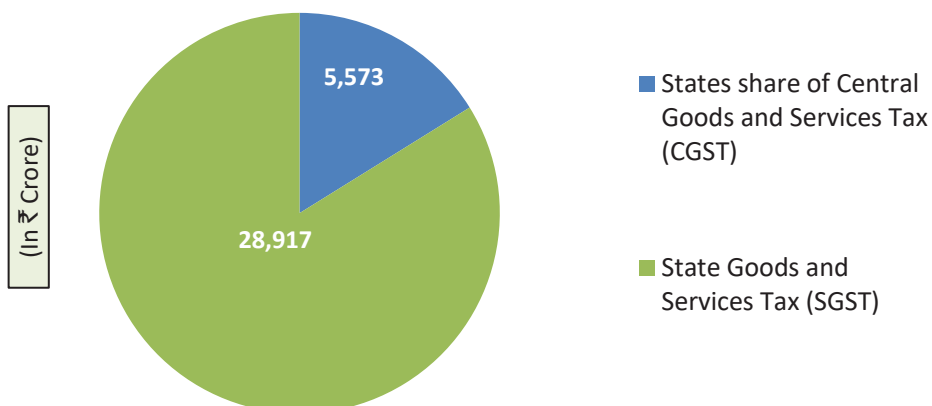


Fig 2.6

2.7 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprises of the following: -

- Centrally Sponsored Schemes (₹4,461 crore)
- Finance Commission Grants (₹1,787 crore)
- Other Transfer/Grants to States/Union Territories with legislatures (₹2,371 crore)

Total receipts during 2021-22 under Grants-in-aid were ₹8,619 crore. The share of Centrally Sponsored Schemes in total Grants-in-aid was 52 *per cent*, while the share of Finance Commission Grants was 21 *per cent* and Other Grants form 27 *per cent* as far as the 2021-22 GiA figures are concerned.

(₹ in crore)

Grants in Aid and Contributions

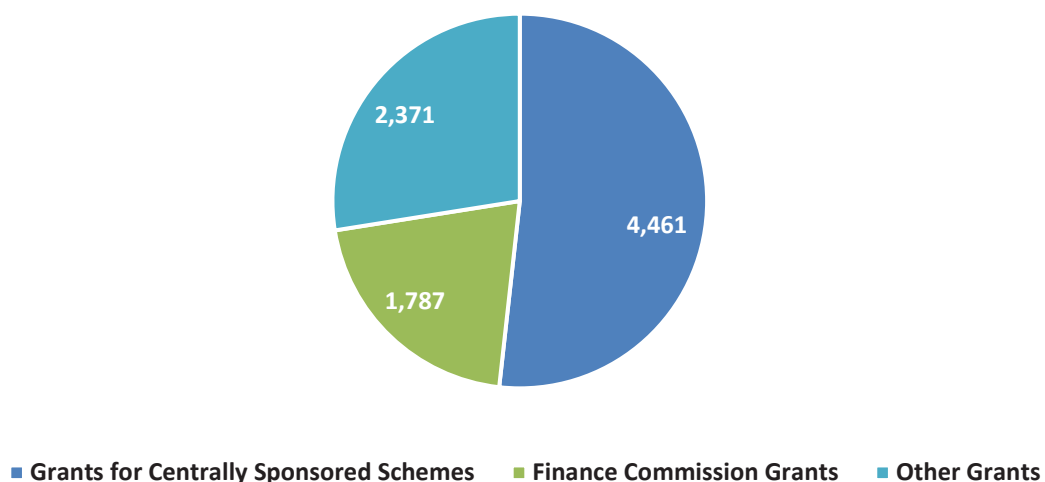


Fig 2.7

2.8 Public Debt

In 2021-22, 29 loans totaling ₹45,716 crore at interest rates varying from 6.89 per cent to 7.37 per cent repayable between the years 2032 and 2051 were raised from the open market. In addition to these, the State Government also raised ₹1,279 crore from other financial institutions like LIC, GIC, NABARD etc. ₹67,274 crore was availed as Ways and Means advances and repaid during the year. Thus, the Internal Debt raised during the year excluding Ways and Means Advances was ₹46,995 crore. Repayments of Internal Debt of State Government excluding Ways and Means Advances was ₹8,333 crore. The Government also received ₹4,784 crore from Government of India as Loans and Advances, while repayments made on this account amounted to ₹510 crore.

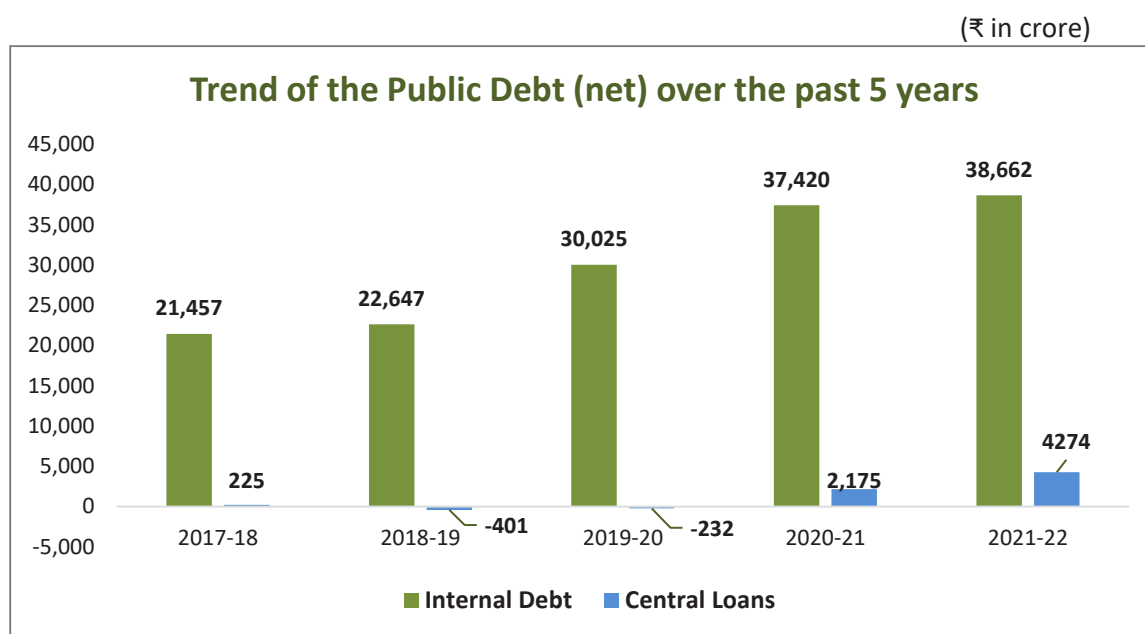
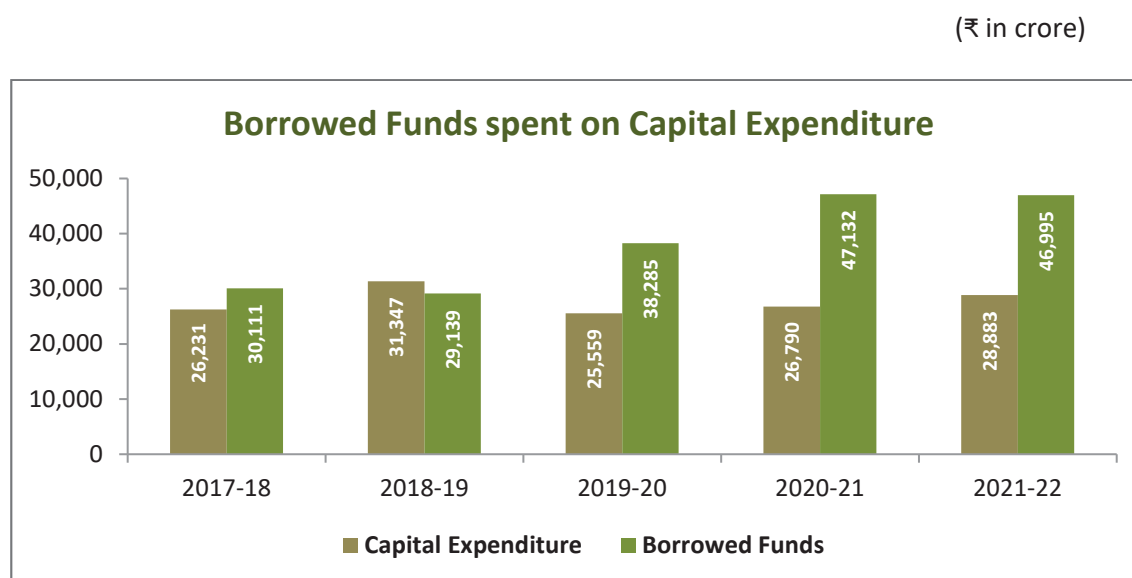



Fig 2.8

2.8.1 Proportion of borrowed funds to Capital Expenditure



Note: Borrowed Funds do not include Special drawing facility/Ways and Means Advances

Fig 2.8.1



The extent to which the Fiscal Deficit, as represented by borrowed funds, has been channelized towards the creation of capital assets is an indicator of prudent financial management. The borrowings of ₹46,995 crore in the year was partly utilised to meet Capital expenditure of ₹28,883 crore and Loans and Advances of ₹8,469 crore.

Normally, Public Debt is discharged using Revenue Surplus. However, the Government incurred Revenue deficit of ₹9,335 crore for 2021-22. The borrowed funds were utilised for the repayment of Public Debt.

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Chapter III

Expenditure

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned below:



3.2 Revenue Expenditure

The shortfall of revenue expenditure against budget estimates during the past five years is as follows:

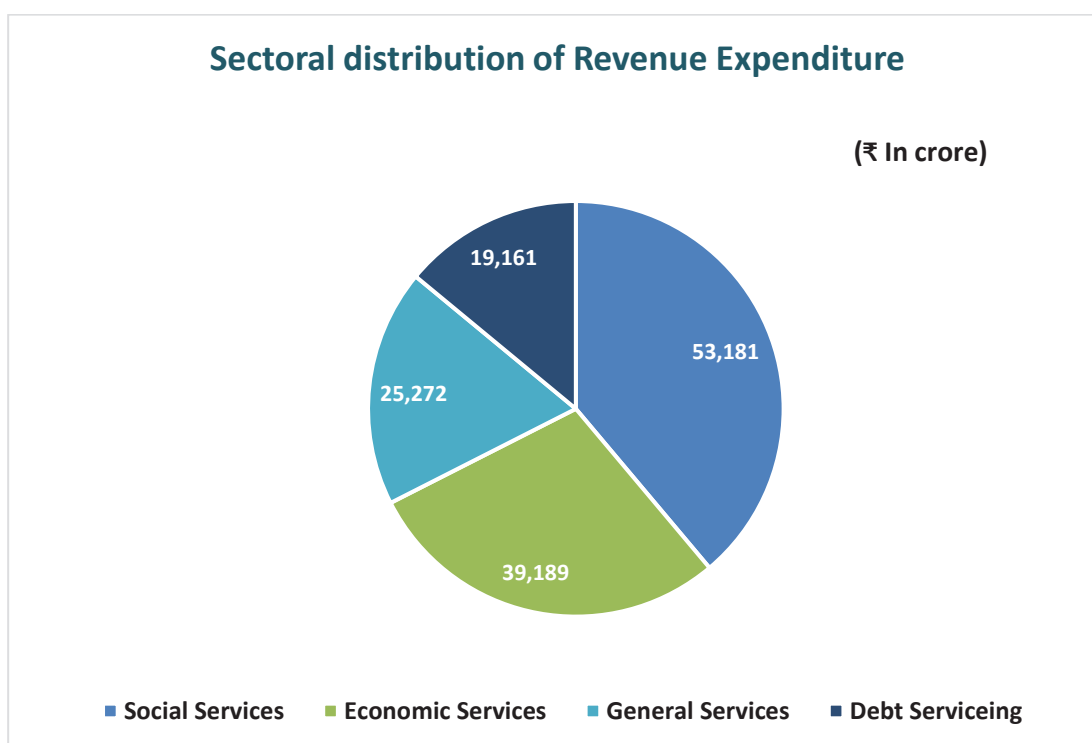
(₹ In crore)					
Year	2017-18	2018-19	2019-20	2020-21	2021-22
Budget Estimates	1,08,512	1,25,455	1,11,056	1,38,670	1,80,250*
Actuals	85,365	97,083	1,08,797	1,23,212	1,36,803
Gap	23,147	28,372	2,259	15,458	43,447
Percentage of variation of Actuals against BE	21	23	2	11	24

Table 3.2

*Includes Supplementary Budget Estimates of ₹10,866 crore

As per the Accounts, the Government of Telangana had a Revenue deficit of ₹9,335 crore in 2021-22. Of the total Revenue Expenditure, an amount of ₹63,561 crore was on committed expenditure. This showed an increase of 15 per cent over previous year.

3.2.1 Sectoral distribution of Revenue Expenditure



*General Services does not include Debt Servicing

Fig 3.2.1

3.2.2 Trend of Major components of Revenue Expenditure 2017-18 to 2021-22

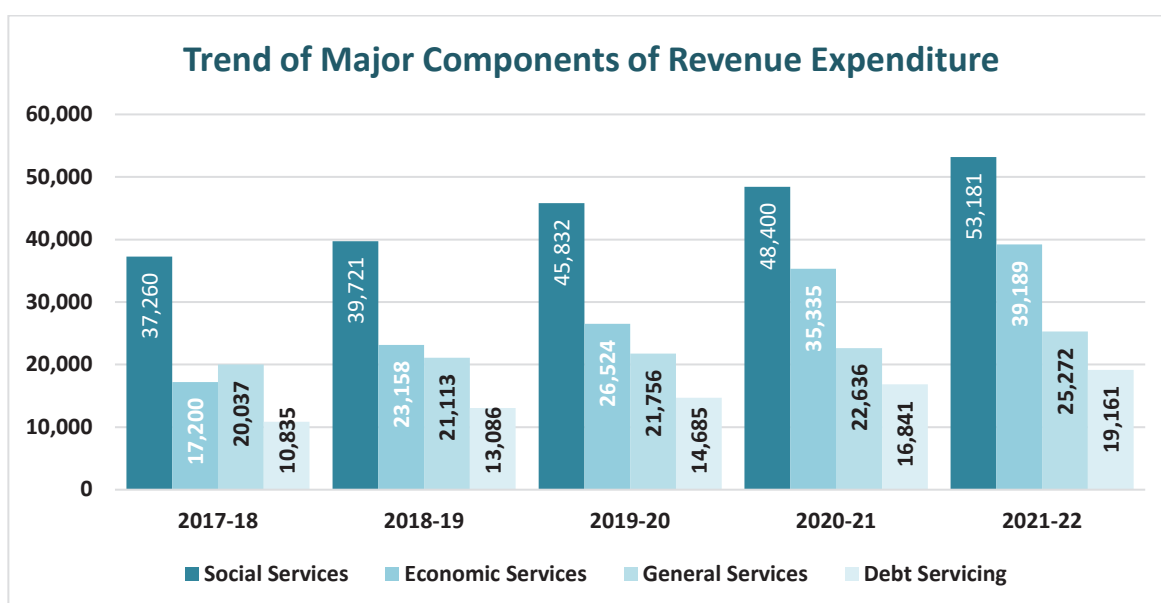
(₹ In crore)

Components	2017-18	2018-19	2019-20	2020-21	2021-22
Social Services	37,260	39,721	45,832	48,400	53,181
Economic Services	17,200	23,158	26,524	35,335	39,189
Debt Servicing	10,835	13,086	14,685	16,841	19,161
General Services *	20,037	21,113	21,756	22,636	25,272

*Excluding expenditure on Debt Servicing

Table 3.2.2

(₹ In crore)



Note: General Services does not include Debt Servicing

Fig 3.2.2

3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Disbursements during 2021-22 amounted to ₹28,874 crore (**2.51 per cent of GSDP**). The growth in capital expenditure has not kept pace with the steady growth of GSDP.

The table below shows the trend of Capital Expenditure to Budget and GSDP:

(₹ In crore)

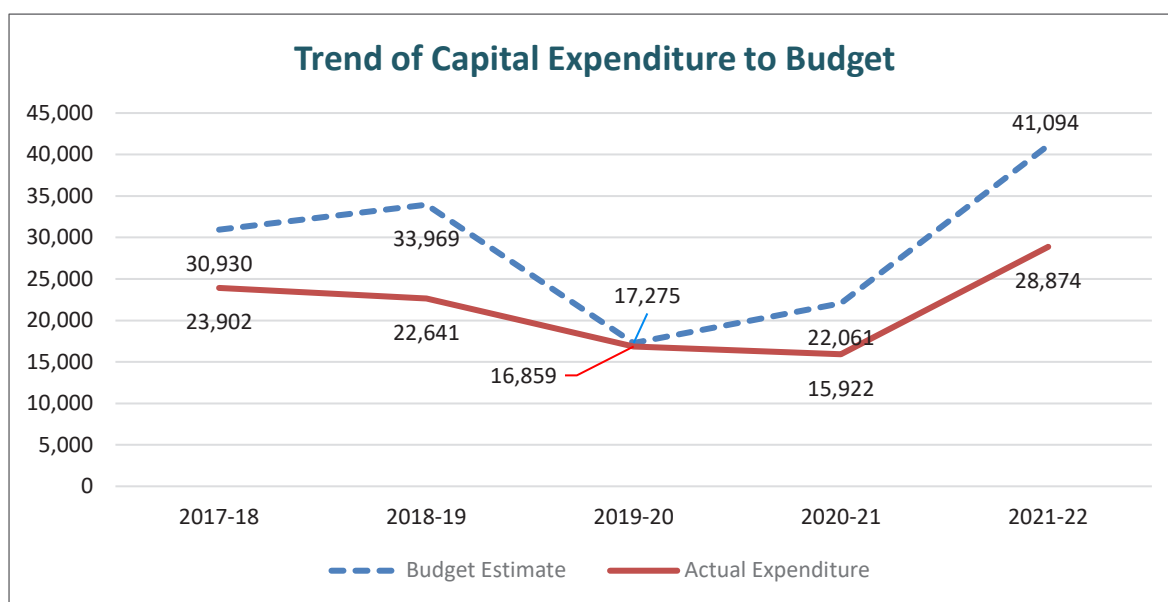


Fig 3.3

3.3.1 Major components of Capital Expenditure

(₹ In crore)

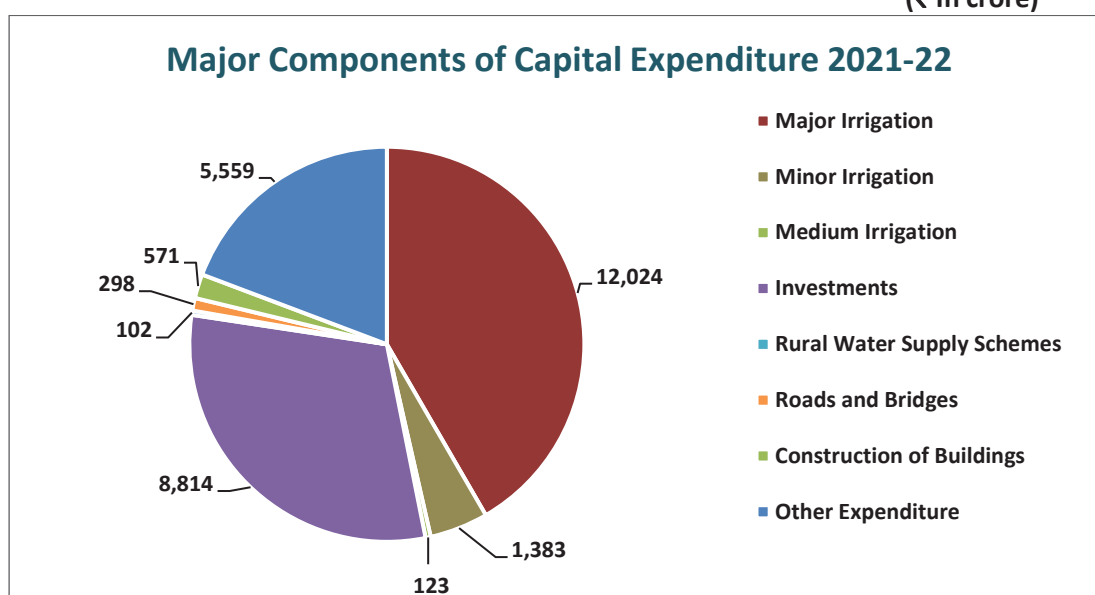


Fig 3.3.1

3.3.2 Sectoral distribution of Capital Expenditure

Capital Expenditure incurred is classified in the following sectors based on the nature of output – General Services, Social Services and Economic Services. During 2021-22, 75 *per cent* of the Capital Expenditure (₹28,874 crore) was made on Economic Services, 22 *per cent* towards Social Services and the remaining 3 *per cent* was expended on General Services. Of the amount spent towards Economic Services, the Government spent ₹13,530 crore on various projects (₹12,025 crore on Major Irrigation, ₹122 crore on Medium Irrigation and ₹1,383 crore on Minor Irrigation).

3.3.3 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of Capital and Revenue expenditure over the past five years in terms of Non-Development Expenditure and Development Expenditure is illustrated below:

(₹ In crore)

	2017-18	2018-19	2019-20	2020-21	2021-22	Percentage Increase/ Decrease
Non-Development Expenditure						
General Services (Capital)	565	703	646	779	962	23
General Services (Revenue)	30,872	34,199	36,441	39,477	44,433	13
Total Non-Development Expenditure	31,437	34,902	37,087	40,256	45,395	13
Development Expenditure						
Social Services (Capital)	2,851	5,620	1,765	2,147	6,345	196
Social Services (Revenue)	37,260	39,721	45,832	48,400	53,181	10
Economic Services (Capital)	20,486	16,317	14,449	12,996	21,568	66
Economic Services (Revenue)	17,200	23,157	26,524	35,335	39,189	11
Grants – in – Aid and Compensation to Local Bodies (Revenue)	33	5	...	...	...	...
Total Development Expenditure	77,830	84,820	88,570	98,878	1,20,283	22
Grand Total	1,09,267	1,19,722	1,25,657	1,39,134	1,65,678	19

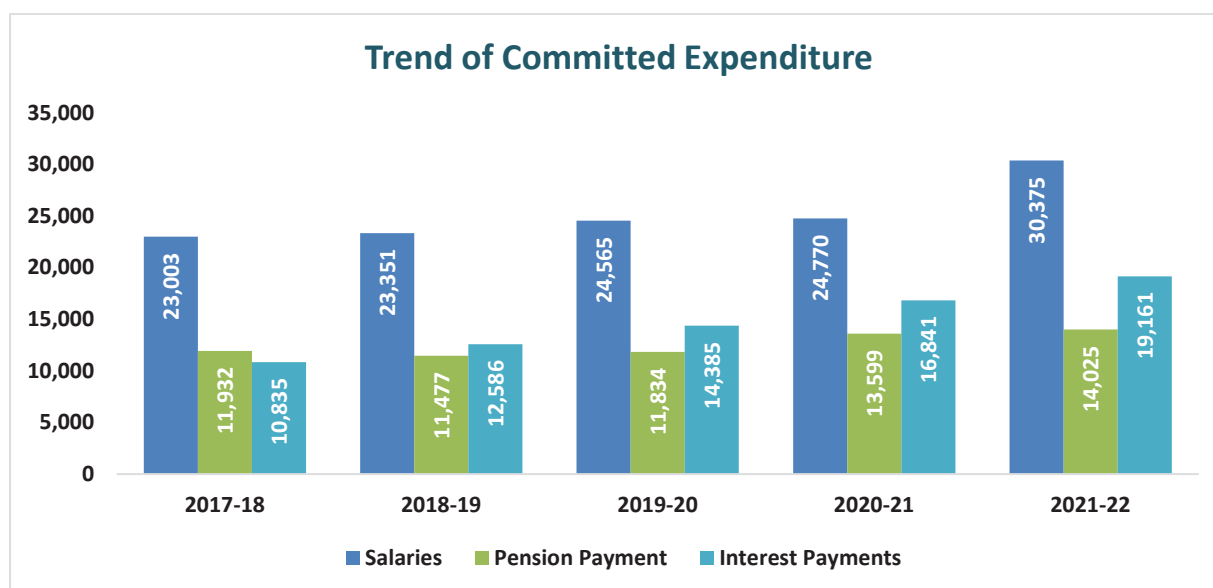
Note: Capital Expenditure does not include expenditure on loans and advances (₹8,469 crore)

Table 3.3.3

3.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pensions is treated as Committed Expenditure for the Government. The total Committed Expenditure for the year 2021-22 was ₹63,561 crore which is **46 per cent** of total Revenue Expenditure.

(₹ In crore)



Note: Salaries component includes detailed heads 010-Salaries (₹26,406 crore), 020- Wages (₹72 crore), 290- Work charged establishment (₹119 crore) and 310/311- Grants-in-Aid towards salaries (₹3,778 crore).

Fig 3.4

The trend of committed expenditure in comparison to revenue expenditure and revenue receipts over the past five years is depicted below:

(₹ In crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22	% Increase with reference to 2020-21
Committed expenditure	45,770	47,414	50,784	55,206	63,561	15
Revenue Expenditure	85,365	97,083	1,08,797	1,23,212	1,36,803	11
Revenue Receipts	88,824	1,01,420	1,02,543	1,00,914	1,27,469	26
Percentage of Committed Expenditure to Revenue Receipts	52	47	49	55	50	...
Percentage of Committed Expenditure to Revenue Expenditure	54	49	46	45	46	...

Table 3.4

...oOo...

Chapter IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2021-22

(₹ In crore)

Sl. No.	Nature of Expenditure	Original Grant	Suppl. grant	Total Budget	Actual expenditure (Net)	Savings (-) Excesses (+)	Surrender by way of Re-appropriation
1.	Revenue Voted Charged	1,51,498 17,932	10,684 182	1,62,182 18,114	1,29,942 19,430	(-)32,240 (+)1,315	73,719 17,607
2.	Capital Voted Charged	28,945 101	11,954 93	40,899 194	29,014 112	(-)11,885 (-)82	16,638 82
3.	Public Debt Charged	9,139	134	9,273	76,117	(+)66,843	8,228
4.	Loans and Advances Voted	23,256	1,096	24,352	8,477	(-)15,875	11,396
	Total Voted Charged	2,03,699 27,173	23,735 409	2,27,434 27,582	1,67,433 95,659	(-)60,001 (+)68,077	1,01,754 25,918
Grand Total		2,30,872	24,144	2,55,016	2,63,092	(+)8,076	1,27,672

Table 4.1

4.2 Trend of Net Savings/Excess during the past five years

(₹ In crore)

Savings (-)/Excess(+)					
Year	Revenue	Capital	Public Debt	Loans & Advances	Total
2017-18	(-) 25,426	(-) 26,184	(+) 22,787	(-) 1,620	(-) 30,443
2018-19	(-) 31,767	(-) 24,817	(+) 21,076	(-) 1,973	(-) 37,481
2019-20	(-) 4,129	(-) 14,647	(+) 35,474	(-) 1,246	(+) 15,452
2020-21	(-) 23,076	(-) 15,665	(+) 69,124	(-) 5,385	(+) 24,998
2021-22	(-) 30,924	(-) 11,969	(+) 66,844	(-) 15,875	(+) 8,076

Table 4.2

4.3 Significant Variations from Budget

Excess under a grant indicates improper budget planning and implementation of schemes/programmes which were not envisaged in the budget.

4.3.1. Grants with significant excess

(₹ In crore)

Grant	Nomenclature	Section	Budget allocation	Actual Expenditure	Percentage of Excess to Budget Allocation
IX	Fiscal Administration, Planning, Surveys and Statistics	Public Debt	9,273	76,117	782
XVI	Medical and Health	Capital	381	509	34
XXXI	Panchayat Raj	Capital	5,167	5,734	11
XXXIII	Major and Medium Irrigation	Capital	11,490	12,071	5

Table 4.3.1

4.3.2. Grants with substantial savings (Revenue/Capital/Loans):

(₹ In crore)

Grant	Nomenclature	Section	Budget allocation	Actual Expenditure	Percentage of Saving to Budget Allocation
XVIII	Housing	Revenue	7,222	252	97
XXXVI	Industries and Commerce	Revenue	1,686	286	83
XXXIII	Major and Medium Irrigation	Loans	9,351	1,844	80
IX	Fiscal Administration, Planning, Surveys and Statistics	Capital	5,272	1,421	73
XXXVIII	Civil Supplies Administration	Revenue	1,584	548	65
XVII	Municipal Administration and Urban Development	Revenue	8,617	3,461	60

Table 4.3.2

The huge savings under Housing, Industries and Commerce indicates that schemes envisaged in the Budget had been given lesser priority during implementation either due to the conservative approach of the Government to attain the fiscal targets or the shortfall is purely due to inaccuracy in the budget estimation process of the department.

4.3.3 Grants with defective budgeting:

Supplementary Provision was obtained for total amount of ₹24,144 crore which worked out to 15 *per cent* of the total expenditure incurred by the State Government during 2021-22. Further significant savings were noticed against the original budget allocation during 2021-22 as given below:

(₹ In Crore)

Grant	Nomenclature	Section	Original Grant	Actual Expenditure	Savings	Supplementary Grant
I	State Legislature	Revenue	145	141	17	13
III	Administration of Justice	Revenue	850	596	293	39
		Capital	210	7	227	24
XII	School Education	Capital	509	19	496	6
XV	Sports and Youth Services	Revenue	141	87	66	12
XVII	Municipal Administration & Urban Development	Revenue	8,546	3,461	5,155	70
XIX	Information & Public Relations	Revenue	233	105	138	10
XXII	Tribal Welfare	Revenue	10,088	7,998	2094	4
XXIII	Backward Classes Welfare	Revenue	5,012	4,082	947	17
		Capital	510	25	490	5
XXVI	Administration of Religious Endowments	Revenue	392	228	181	17

Table 4.3.3

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Chapter V

Assets and Liabilities

5.1 Assets

The existing forms of accounts do not clearly depict valuation of Government assets like land, building etc., except the value of acquisition/ purchase. Similarly, while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total Investments of the Government stood at ₹30,919 crore at the end of 2021-22. There was an increase in investments by ₹9,093 crore. An amount of ₹52 crore was received as dividend which is a return of 0.17 *per cent* on investment.

Cash balance with the RBI stood at ₹ (-)6 crore on 01 April 2021 and was ₹ 64 crore at the end of March 2022. Government had invested an amount of ₹17,786 crore in 14 days treasury bills in 2021-22 and rediscounted bills worth ₹19,531 crore.

The position of investment during the year 2021-22 is depicted in the table given below:

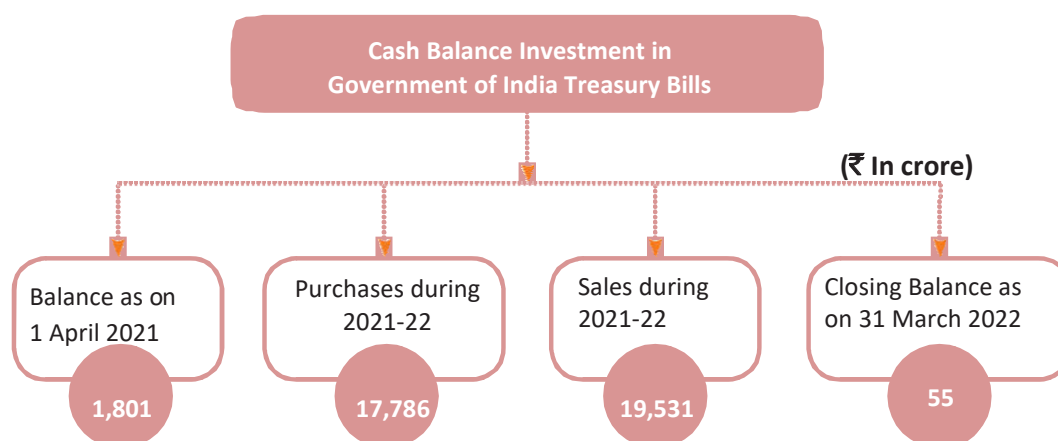


Fig 5.1

5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed by the State Legislature from time to time. Government of Telangana during the year 2021-22 borrowed ₹45,716 crore. Details of the Public Debt and total liabilities of the State Government for the last five years are as under:

Year	Public Debt (₹ In crore)	Per cent of GSDP	Public Account* (₹ In crore)	Per cent of GSDP	Total Liabilities (₹ In crore)	Per cent of GSDP
2017-18	1,42,918	19	22,931	3	1,65,849	22
2018-19	1,65,164	19	31,798	4	1,96,963	23
2019-20	1,94,958	20	37,223	4	2,32,181	24
2020-21	2,34,554	24	43,464	4	2,78,018	28
2021-22	2,77,489	24	44,122	4	3,21,611**	28

* Excludes suspense and remittance balance.

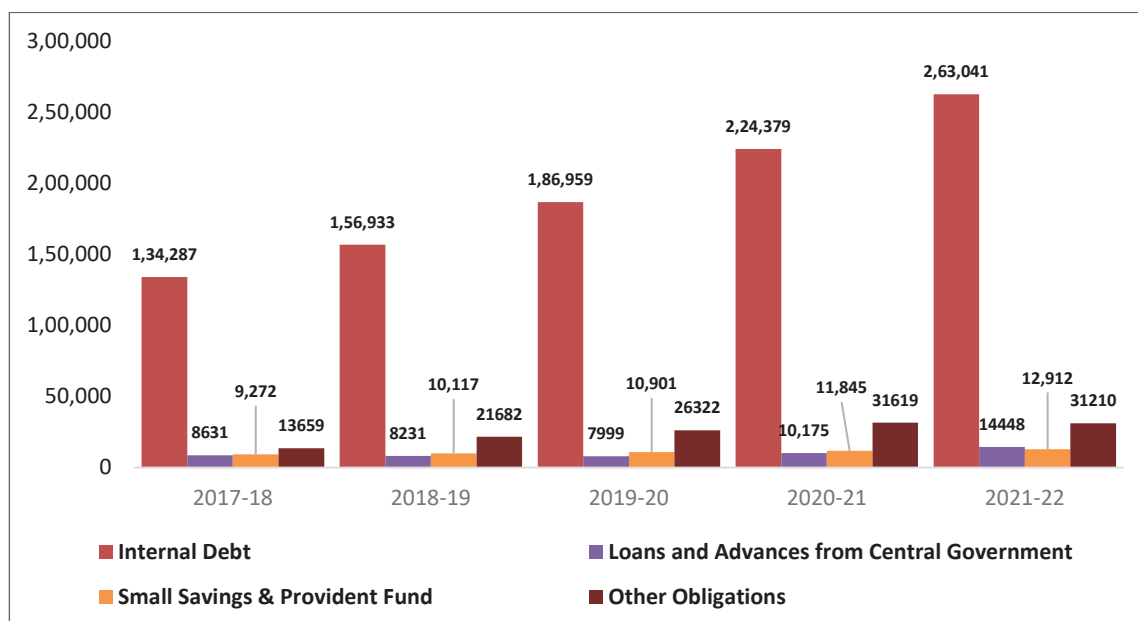
** This debt includes ₹6,949 crore, which was passed on as back to back loans by Gol in lieu of shortfall in GST Compensation, vide Gol's letter No.F.No.40(1) PF-S/2021-22 dated 10-12-2021.

Note: Figures are progressive balance to the end of the year.

Table 5.2

Public Debt and other liabilities showed an increase of ₹43,593 crore (16 per cent) in 2021-22 over the previous year.

5.2.1 Trend in Government Liabilities



Note: Public Debt comprises of Internal Debt and Loans and Advances from Central Government

(*) Includes interest & non-interest bearing obligations such as Deposits of local funds, other Earmarked Funds etc.,

Fig 5.2.1

5.3 Guarantees

5.3.1. Guarantees

Government of Telangana has provided Guarantees to the extent of ₹40,449 crore to various of Institutions/Departments to obtain loans from financial institutions during 2021-22. Total outstanding Guarantees as on 31 March 2022 were ₹1,35,283 crore. Government of Telangana amended the FRBM Act in 2020, duly raising the limit of Guarantees, that it can provide to various institutions to 200% of total revenue receipts of the previous year.

The Guarantees given by the State Government is given below:

(₹ In crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2017-18	41,892	41,892	71
2018-19	77,713	77,713	70
2019-20	77,315	89,601	...
2020-21	89,601	1,05,007	...
2021-22	1,05,007	1,35,283	...


Note: Details are available at Statement No.20 and are based on information received from the State Government and where available, from the respective institutions

Table 5.3.1

5.3.2. Guarantee Fee

Guarantee fees is payable by the organization availing guarantee at 0.5 *per cent* p.a. of amount guaranteed or 2 *per cent* for the amount guaranteed for the entire guarantee period. ₹17 crore was received towards Guarantee Fee/Commission by Government of Telangana during the year 2021-22.

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Chapter VI

Other Items

6.1 Adverse Balances under Internal Debt

Borrowings of the State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government guarantees loans raised by companies and corporations from the market and financial institutions for implementation of various schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned entities and do not appear in the books of the Government. However, the loan repayments appear in the Government Account, resulting in irreconcilable adverse balances and understatement of liabilities in Government accounts.

The Government of Telangana had an adverse balance of ₹1,267 crore under Public Debt as on 31 March 2022. Out of this amount ₹422 crore pertains to loans availed by the Telangana Power Finance Corporation and ₹501 crore pertains to loans raised towards Telangana TRANSCO Bonds. The Government shall make adequate provision in the Budget for clearing the adverse balance or reclassify the debt as expenditure.

6.2 Loans and Advances given by the State Government

The total Loans and Advances made by the State Government to the end of 2021-22 were ₹52,379 crore. This includes ₹8,441 crore towards Loans and Advances to Government Corporations/Companies, Non-Government institutions and Local Bodies and ₹28 crore as Loans to Government Servants during the financial year. Interest due on these loans, to the end of March 2022 amounts to ₹4,171 crore. During 2021-22, only ₹47 crore (0.09 *per cent* of total outstanding loan of ₹52,379 crore) has been received towards repayment of Loans and Advances which pertains to loans given to Government Servants. Effective steps to recover the outstanding loans would facilitate the Government to maintain better fiscal position.

6.3 Financial assistances to local bodies and others

During 2021-22, Grants-in-aid to Zilla Parishads, Panchayat Samitis, Gram Panchayats and Municipalities totaling to ₹11,769 crore represented 18 *per cent* of the total grants given during the year.

Details of Grants-in-aid Given for the past 5 years are as under:

(₹ In crore)

S. No.	Name of Institutions	2017-18	2018-19	2019-20	2020-21	2021-22	Per cent Increase/ Decrease
1	Zilla Parishads	3,817	3,746	4,152	4,311	4,614	7
2	Municipalities	605	1,084	771	2,946	1,696	-42
3	Panchayat Samithis	2,555	2,131	3,020	4,230	3,905	-8
4	Others	23,439	30,947	37,024	42,797	51,185	20
	Total	30,416	37,908	44,967	54,284	61,400	13

Table 6.3

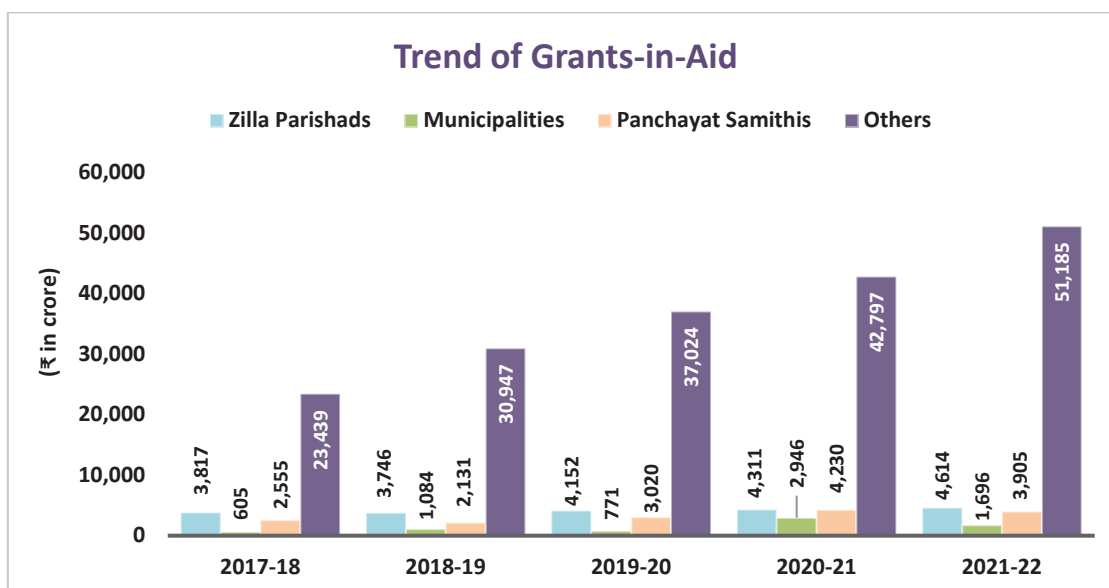


Fig 6.3

6.4 Cash Balance and Investment of Cash Balance

Cash balance with the RBI stood at ₹(-)6 crore on 01 April 2021 and was ₹64 crore at the end of March 2022. Government had invested an amount of ₹17,786 crore in 14 days treasury bills in 2021-22 and rediscounted bills worth ₹19,531 crore.

(₹ In crore)

Component	As on 01 April 2021	As on 31 March 2022	Net increase (+)/ decrease (-)
Cash Balance	(-)6 (Dr)	64 (Dr)*	(+)70
Investments from Cash Balance (GOI Treasury Bills)	1,801 (Dr)	55 (Dr)	(-)1,746
Other Cash Balances			
i) Departmental Balances	...	...	...
ii) Permanent Cash Imprest	...	...	...
Investment from Earmarked fund balances	7,398 (Dr)	7,975 (Dr)	577
(a) Sinking Fund	6,109 (Dr)	6,541 (Dr)	432
(b) Guarantee Redemption Fund	1,325 (Dr)	1,431 (Dr)	106
Interest realised	577(Cr)	578 (Cr)	...

(*) Shortfall met by Ways and Means Advances

Table 6.4

Interest received during the year on Cash balance Investments and earmarked funds (Consolidated Sinking Fund and Guarantee Redemption Fund) was ₹578 crore.

6.5 Reconciliation of Accounts

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E), Telangana. During the year, receipts amounting to ₹1,20,630 crore (94.63 per cent of total receipts) and expenditure amounting to ₹1,48,171 crore (89.43 per cent of total expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts Rendering Units

The Finance Accounts for 2022 represent the transactions of the Government of Telangana for the year that have been compiled from the initial accounts rendered by the account rendering units of 33 District Treasuries, 171 Public Works Divisions, 29 Forest Divisions and 3 Pay and Accounts Offices, Pension Payment Office and Advices from the Reserve Bank of India. No accounts have been excluded at the end of the financial year.

6.7 Unadjusted Abstract Contingent Bills

The Drawing and Disbursing officers (DDOs) are authorised to draw sums of money by presenting Abstract Contingent (AC) bills by debiting service heads in terms of the provisions of the Telangana Financial Code (TFC). The DDOs are required to submit the Detailed Contingent (DC) bills subsequently along with supporting documents within a period of 90 days. Out of the 30,286 AC Bills drawn for ₹3,268 crore to the

end of 31 March 2022, number of DC Bills were submitted for 29,810 Bills amounting to ₹3,111 crore.

Details of unadjusted AC Bills as on 31 March 2022 pending for submission of DC Bills are given below:

(₹ In crore)		
Year	No. of Unadjusted AC bills	Amount
Upto 2020-21	238	76
2021-22(*)	238	81
Total	476	157

Table 6.7

(*)as on 31 July 2022

Out of ₹700 crore drawn against AC bills in 2021-22, AC bills amounting to ₹4 crore (0.63 per cent of the total amount) were drawn in March 2022 alone. Significant expenditure on AC Bills in March indicates that the drawl was primarily to exhaust the budget and indicates inadequate budget control.

6.8 Status of Suspense and Remittances Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on details furnished by the State Treasuries/Works and Forest Divisions/PAOs etc.

Details of significant outstanding Suspense and Remittance balances are given below:

(₹ In crore)						
Name of the Minor Head	2019-20		2020-21		2021-22	
	DR	CR	DR	CR	DR	CR
8658- Suspense Accounts						
101-Pay and Accounts Office Suspense	337.96	233.90	547.13	405.16	701.12	607.93
Net	104.06 DR		141.97 DR		93.19 DR	
102-Suspense Accounts (Civil)	843.88	1035.05	1358.34	1605.59	2975.95	2399.56
Net	191.17 DR		247.25 CR		576.39 DR	
109-Reserve Bank suspense Headquarters	5.23	1.32	5.22	(-)0.33	5.23	2.73
Net	3.91 DR		5.55 DR		2.5 DR	
110-Reserve Bank Suspense-Central Accounts Office	(-)10.87	12.46	(-)10.88	(-)11.28	(-)10.98	(-)11.38
Net	23.33 CR		(-)0.40 CR		0.4 DR	

112-Tax Deducted at source (TDS) Suspense	(-)0.01	314.30	(-)0.01	92.10	...	618.68
Net	314.31 CR		92.11 CR		618.68 CR	
123- AIS officers Group Insurance Scheme	0.17	0.23	0.01	0.09	...	...
Net	0.06 CR		0.08 CR		...	
8793 – Inter-State Suspense Account	73.15	27.54	102.42	29.47	66.13	29.52
Net	45.61 DR		72.95 DR		36.61 DR	
8782- Cash Remittances and Adjustments between officers rendering accounts to the same Accounts Officers						
102 Public Works Remittances	13,236.43	13,236.16	265.55	159.74	630.84	336.21
Net	203.84 DR		309.65 DR		294.63 DR	
103 Forest Remittances	589.39	623.57	430.33	531.17	1102.76	2158.78
Net	387.46 CR		488.30 CR		1056.02 CR	

Table 6.8

6.9 National Pension System

The National Pension System (NPS) introduced from 1 September 2004, provides for employee contribution @ 10 per cent of his/her monthly salary and is matched by the State Government. The entire amount is transferred to the designated Fund Manager through the National Securities Depository Limited (NSDL)/Trustee Bank. The Government transferred an amount of ₹2,074.22 crore to NSDL/Trustee Bank during the year leaving a balance of ₹313.72 crore as on 31 March 2022. However, since the actual amount payable by the employees and the matching Government Contribution has not been estimated by the State Government, the actual liability of the employees and the Government under the Scheme is not ascertainable. Further, though the State Government is mandated to pay interest on the balance retained, no payment towards the same was made during the year.

6.10 Personal Deposit Accounts

As per the orders of Government vide G.O Ms No.43 dated 22.04.2000, funds released during a particular financial year shall lapse by 31 March of the following year (lapsable deposits under category 'C'). The administrators of PD accounts who have been provided with drawing powers from these PD Accounts are required to close such accounts and revert the unspent balances to the Government account. The status of PD Accounts as intimated by the Director of Treasuries and Accounts (DTA) is given below:

(₹ In crore)

Opening Balance as on 01 April 2021 ^(*)		Additions during the year 2021-22		Closed/Lapsed/Withdrawals during the year 2021-22		Closing Balance as on 31 March 2022	
No of PD Accounts #	Amount	Number of PD Accounts opened	Deposits made in PD Accounts including new Accounts	Number of PD Accounts Closed	Withdrawals made from PD Accounts including closed Accounts	Number	Amount
...	166.53*	...	611.72	...	657.25	...	120.97

Table 6.10

#Administrator wise PD accounts are not maintained in this office.

*Differs from last year's Closing Balance (₹177.12 crore) as Opening balance of ledger for the year 2021-22 is adopted.

Article 271 (iii) (4) of Financial Code Vol. I of Telangana states that the Administrator shall maintain detailed account of the scheme/projects for which it has been opened. However, if any PD Account is not operated upon for a period of three (3) years and there is reason to believe that the need for such deposit accounts has ceased, the same shall be closed. Inspection of 59 treasuries conducted during 2021-22 in respect of transactions for the year 2021-22 revealed that PD accounts of 2 operators with balance amounting to ₹0.34 lakh were lying inoperative for more than three (3) years.

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