

Table of Contents

	Reference to	
	Paragraph	Page
<i>Preface</i>		vii
<i>Executive Summary</i>		ix
Chapter – 1 Overview		
Profile of the State	1.1	1
Basis and approach to State Finances Audit report	1.2	6
Report Structure	1.3	6
Overview of Government Accounts structure	1.4	7
Budgetary Process	1.5	9
Snapshot of Finances of the State	1.6	10
Snapshot of Assets and Liabilities of the Government	1.7	11
Fiscal Balance: Achievement of Deficit and total debt targets	1.8	12
Conclusion	1.9	19
Chapter – 2 Finances of the State		
Introduction	2.1	21
Major changes in Key fiscal aggregates during 2020-21 <i>vis-à-vis</i> 2019-20	2.2	21
Sources and Application of Funds	2.3	21
Resources of the State	2.4	22
Application of resources	2.5	33
Public Account	2.6	45
Debt Management	2.7	48
Guarantees-Contingent Liabilities	2.8	57
Management of Cash Balances	2.9	59
Apportionment of balances between Andhra Pradesh and Telangana	2.10	61
Conclusion	2.11	62
Recommendations	2.12	62
Chapter – 3 Budgetary Management		
Introduction	3.1	63
Budget Preparation process	3.2	63
Financial Accountability and Budget Review	3.3	65
Appropriation Accounts	3.4	65

	Reference to	
	Paragraph	Page
Utilisation of Budgeted Funds	3.5	68
Missing/Incomplete Explanation for variation from Budget	3.6	68
Comments on integrity of budgetary and accounting process	3.7	69
Supplementary budget and opportunity cost	3.8	71
Re-appropriations	3.9	72
Large and Persistent savings in Grants/ Appropriations	3.10	75
Excess expenditure and its regularisation	3.11	76
Conclusion	3.12	78
Recommendations	3.13	79
Chapter – 4 Quality of Accounts and Financial Reporting Practices		
Introduction	4.1	81
Funds outside Consolidated Fund of the State	4.2	81
Pending liabilities during the financial year	4.3	83
Funds transferred directly to State Implementing Agencies	4.4	84
Abstract Contingent bills	4.5	85
Utilisation Certificates	4.6	86
Personal Deposit Accounts	4.7	87
Use of Omnibus Minor Head 800	4.8	92
Suspense and Remittance Balances	4.9	93
Compliance to Indian Government Accounting Standards	4.10	96
Submission of Annual Accounts by Autonomous Bodies	4.11	97
Submission of Annual Accounts of Public Sector Undertakings	4.12	98
Deposits of Local Funds	4.13	99
Timeliness and Quality of Accounts	4.14	100
Underutilisation of GoI share in respect of centrally sponsored schemes	4.15	100
Underutilisation of funds - Scheduled Castes and Scheduled Tribes	4.16	100
Follow up action on Audit Reports	4.17	101
Conclusion	4.18	101
Recommendations	4.19	102

	Reference to	
	Paragraph	Page
Chapter – 5 Use of Special Bills by the State Government		
Introduction	5.1	103
Audit of Special Bills	5.2	103
Audit Findings	5.3	105
Audit Conclusion	5.4	112
Recommendation	5.5	113
Chapter – 6 General Purpose Financial Report of State Public Sector Undertakings		
Introduction	6.1	115
Number of State PSUs and status of accounts	6.2	116
Contribution of PSUs to the Economy of the State	6.3	117
Investments in Government Companies and Statutory Corporations and Budgetary support	6.4	118
Returns from PSUs	6.5	122
Oversight Role of CAG	6.6	128
Results of CAG’s oversight role	6.7	131
Conclusion	6.8	136
Recommendations	6.9	137

Appendices

Sl. No.	Name of the Appendix	Page No.
1.1	Profile of the State of Andhra Pradesh	141
1.2	Time Series Data on State Government Finances	142
2.1	Summarised Position of Apportionment of Balances between Andhra Pradesh and Telangana as on 31 March 2021	145
3.1	Cases of un-utilised Supplementary provision (₹ one crore or more in each case)	146
3.2	Cases where Supplementary provision (₹ one crore or more in each case) proved unnecessary	149
3.3	Cases where Supplementary provision (more than ₹ one crore) proved insufficient	151
3.4	Cases where re-appropriation (more than ₹ one crore) proved unnecessary	152
3.5	Cases where re-appropriation (more than ₹ one crore) proved excessive	153
3.6	Cases where re-appropriation (more than ₹ one crore) proved in-sufficient	154
3.7	Cases where anticipated savings not surrendered (short surrender of ₹ one crore or more in each case)	155
3.8	Excess expenditure during 2020-21	156
3.9	Excess over provision of previous years requiring regularisation	157
3.10	Amount of excess expenditure relating to the years 2014-15 to 2019-20 for which Explanatory Notes were not furnished	159
4.1	Schemes under which lapsing was made	160
4.2	Inoperative Reserve Funds	162
4.3	Statement showing submission of accounts and status of Audit of Autonomous Bodies (Section 19,20 of DPC Act 1971)	163
4.4	Statement of Bodies and Authorities whose accounts have not been received (Section 14,15 of DPC Act 1971)	165
4.5	Statement of PSUs whose accounts have not been received	170
4.6	List of Companies which are reflected in Statement 19 of Finance Accounts	174
4.7	Details of expenditure of Centrally Sponsored Schemes during 2020-21	175
4.8	Details of expenditure of Centrally Sponsored Schemes (unspent) during 2020-21	177
5.1	Categories of Special Bills	179
5.2	Sampling analysis of Special Bills	180
6.1	Statement showing list of Public Sector Undertakings (PSUs) of Andhra Pradesh under audit jurisdiction of CAG and status of their annual accounts	182

Sl. No.	Name of the Appendix	Page No.
	as on 30 November 2021.	
6.2	Statement showing list of PSUs having negative Net Worth as on 31 March 2021.	187
6.3	Details of Return on Capital Employed (ROCE) of State PSUs for the three years ended 31 March 2021.	188
6.4	Statement showing Return on Equity (ROE) of State PSUs for the three years ended 31 March 2021.	193
6.5	Statement showing list of PSUs where Statutory Auditors' Report was revised.	198
6.6	Statement showing list of PSUs where Management Letters were issued.	198
7.1	Glossary of terms	199
7.2	Acronyms and Abbreviations	200