

*Annual Accounts Laid on the table of the
State Legislature on 06 April 2018*

GOVERNMENT OF ANDHRA PRADESH

**ACCOUNTS AT A GLANCE
2016-2017**

**PRINCIPAL ACCOUNTANT GENERAL
(Accounts and Entitlement)
ANDHRA PRADESH, HYDERABAD**

PREFACE

The publication, 'Accounts at a Glance', is prepared annually under the directions of the Comptroller and Auditor General of India, and is intended to distil and provide a broad overview of the voluminous information contained in the Finance Accounts and Appropriation Accounts that are placed every year before the State Legislature in accordance with requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

"Accounts at a Glance" provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. These figures have been adopted from the Finance and Appropriation Accounts of Government of Andhra Pradesh. In case of difference, the figures depicted in the Finance and Appropriation Accounts may be treated as correct.

Principal Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and Appropriation Accounts.

We look forward to suggestions that would help us in improving the publication.

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Place: Hyderabad
Date : 27-12-2017

(Lata Mallikarjuna)
PRINCIPAL ACCOUNTANT GENERAL

Our Vision, Mission and Core Values

This 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 the public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

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

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.

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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CHAPTER I

OVERVIEW

1.1 Introduction

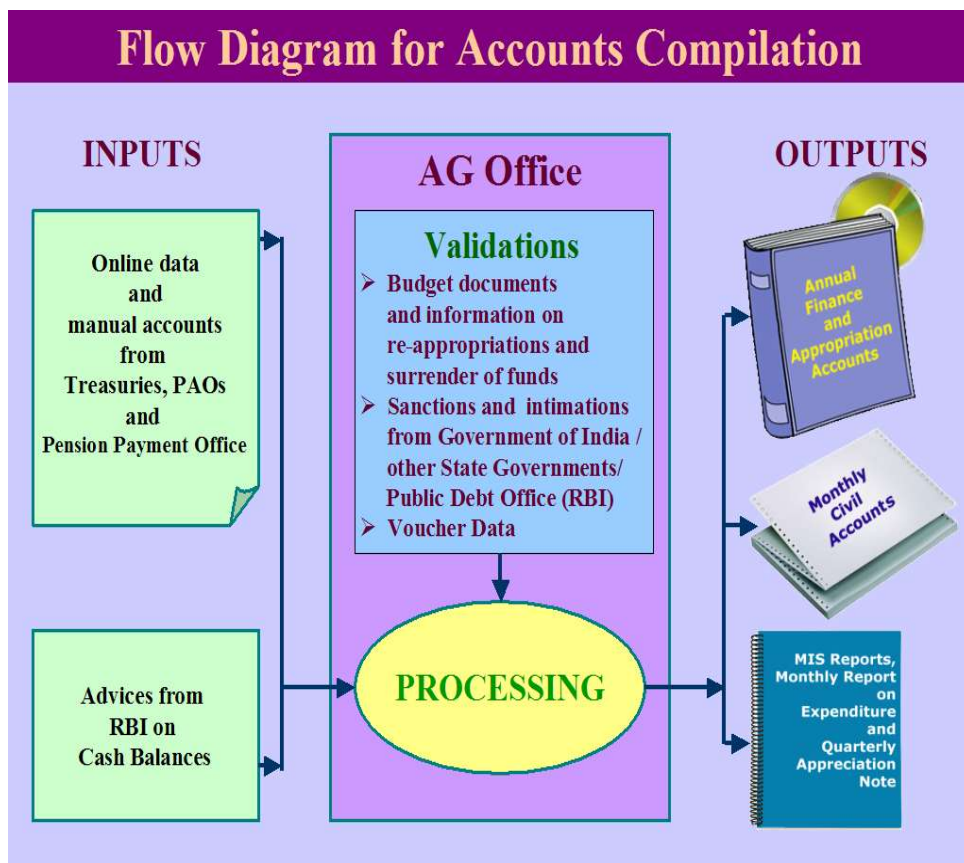
The Principal Accountant General (Accounts and Entitlement) [PAG(A&E)], Andhra Pradesh compiles the accounts of receipts and expenditure of the Government of Andhra Pradesh. This compilation is based on the initial accounts rendered by the District Treasuries and Pay and Accounts Offices (PAOs) of the State Government, information received from the Government of India and other State Governments on their financial transactions with the Government of Andhra Pradesh and intimations (known as advices) of the Reserve Bank of India regarding changes to the State's Cash Balance. Based on these, the PAG(A&E) furnishes the Monthly Civil Accounts to the Finance Department. At the end of the year, after audit by the Principal Accountant General (G&SSA), Andhra Pradesh and certification by the Comptroller and Auditor General of India, the Finance Accounts and the Appropriation Accounts of the State Government are placed before the State Legislature.

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts:

Part I CONSOLIDATED FUND	<p>Comprises all receipts of the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon)</p> <p>All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), is met from this Fund.</p>
Part II CONTINGENCY FUND	<p>The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorisation by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.</p> <p>The corpus of this Fund for the Government of Andhra Pradesh is ₹50 crore.</p>
Part III PUBLIC ACCOUNT	<p>All Public Moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee.</p> <p>The Public Account comprises repayables like Small Savings and Provident Funds, Reserve Funds, Deposits and Advances, Suspense and Miscellaneous transactions (adjusting entries pending booking to final heads of account), Remittances between accounting entities and Cash Balance.</p>

1.2.2 Compilation of Accounts



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts contain details of the receipts and expenditure of the Government for the year. Volume I contains the certificate of the Comptroller and Auditor General of India, summarised statements of overall receipts and expenditure and 'notes to accounts' containing the summary of significant accounting policies, quality of accounts and other disclosures ; Volume II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and Expenditure of the State Government during 2016-17 are as below:

(In ₹ Crore)

Receipts (Total: 1,31,922)	Revenue (Total : 98,984)	Tax Revenue	70,445
		Non Tax Revenue	5,193
		Grants-in-Aid & Contributions	23,346
	Capital (Total : 32,938)	Recovery of Loans and Advances	2,030
		Capital Receipts	---
		Borrowings and other Liabilities ^(*)	30,908
Expenditure (Total: 1,31,922)	Revenue		1,16,215
	Capital		15,144
	Loans and Advances		564
	Inter State Settlement		(-1)

(*) Borrowings and other Liabilities: Net of Public Debt (Receipts-Expenditure) + Net of Contingency Fund + Net of Public Account (Receipts - Expenditure) + Net of Opening and Closing Cash Balance.

In addition to the Budget approved for the year by Andhra Pradesh Legislature, Government of India transfers funds directly to State Implementing Agencies and Non Government Organisations (NGOs) in the State for spending on various schemes and programmes. Such transfers (₹752 crore) are not reflected in the accounts of the State Government, but have been shown at Appendix VI in Volume II of the Finance Accounts.

1.3.2 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 Andhra Pradesh has 12 charged Appropriations and 40 voted Grants. 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.

At the end of the year, the expenditure of Government of Andhra Pradesh against the budget approved by the Legislature, showed a saving of ₹20,280 crore (10.47 per cent of total grants). Certain grants, showed substantial savings, like Fiscal Administration, Planning, Surveys & Statistics (7.46 per cent under Revenue-Voted), School Education (14.65 per cent under Revenue-Voted), Municipal Administration (76.96 per cent under Capital-Voted), Agriculture (12.84 per cent under Revenue-Voted) and Rural Development (14.85 per cent under Revenue-Voted). There are certain Grants where 100 per cent savings, like Grant No.II – Governor and Council of Ministers(Revenue-Charged), Grant No.XI - Roads & Buildings (Revenue-Charged), Grant No.XXIV – Minority Welfare (Capital-Voted), Grant No.XXX – Co-operation (Capital-Voted and Loans-Voted) and Grant No.XXXVI – Industries and Commerce (Capital-Voted and Loans-Voted), where as certain grants showed substantial excess appropriations, like Grant No.IX - Fiscal Administration, Planning, Surveys and Statistics (4.72 per cent over loans-Charged), Grant No.XI – Roads and Buildings (9.27 per cent over Revenue-Voted), Grant No.XIV – Technical Education (24.32 percent over Capital-Voted), Grant No.XXIX – Forest, Science, Technology and Environment (115.42 per cent over Capital-Voted) and Grant No.XL – Public Enterprises (3.69 per cent over Revenue-Voted)

1.4 Abstract Contingent (AC) Bills

In terms of the Andhra Pradesh Financial Code (APFC), Drawing and Disbursing Officers are authorised to draw sums of money by preparing Abstract Contingent (AC) bills by debiting service heads. As per Government orders, Detailed Contingent (DC) bills are required to be presented subsequently along with supporting documents within a period of 90 days. Delayed submission or prolonged non-submission of supporting DC bills, renders the expenditure under AC bills opaque. Further, to the extent of non-receipt of DC bills, the expenditure shown in the Finance Accounts could not be vouched as correct or final. Details of pending DC bills as on 31 March 2017 are given below:

Year	Number of Pending DC Bills	Amount (₹ in crore)
Up to 2014-15	452	75.24
2015-16	296	62.40
2016-17	778	142.13
Total	1526	279.77

Out of ₹ 187.90 crore drawn against AC bills in 2016-17, AC bills amounting to ₹ 23.39 crore (12.44 per cent of the total amount drawn against AC bills during 2016-17) were drawn in March 2017 alone and of this, ₹ 3.70 crore (1.96 per cent of the total amount drawn against AC bills during 2016-17) were drawn on the last day of the Financial Year. Significant expenditure on AC Bills in March indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control.

1.5 Reconciliation of accounts

PAG (A&E) receives compiled accounts from the Treasuries and Pay and Accounts Officers (PAOs). Funds are placed at the disposal of Chief Controlling Officers (CCOs) for incurring expenditure. Accuracy of the accounts maintained by the CCOs is an important requirement for effective budgetary control. The Financial Rules stipulate that CCOs should reconcile the receipts and expenditure recorded in their books every month with that recorded by the PAG(A&E). On the expenditure side, out of 276 CCOs, 100 CCOs have reconciled an amount of ₹57,930.78 crore (which works out to 43.91 per cent of total expenditure of ₹1,31,922.80 crore) and on the receipts side ₹48,736.38 crore (48.25 per cent of the total receipt of ₹1,01,013.98 crore) have been reconciled. The figures are exclusive of the Public Debt which is handled by the PAG(A&E). There is no assurance about the completeness and correctness of the receipts and expenditure figures depicted in the Finance Accounts to the extent of non-reconciliation.

The status of reconciliation of accounts in respect of the CCOs of different departments is given below:

Particulars	Total No. Of Certificates Due From CCOs	Fully Reconciled	Partially Reconciled	Not Reconciled
EXPENDITURE	4,523	640	826	3,057
RECEIPTS	727	60	...	667
TOTAL	5,250	700	826	3,724

1.6 Personal Deposit (PD) Accounts

As per Andhra Pradesh Financial Code (APFC), the purpose of Personal Deposit(PD) accounts is to enable the Drawing Officers to incur expenditure pertaining to a scheme, for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State. As per Government order No.43, funds released during a particular financial year shall lapse by 31 March of the following year (lapsable deposits under category 'C') and the administrators of PD accounts are required to close such accounts and transfer the unspent

balances back to the Government account. Further, PD account administrators are required to reconcile their balances with those of Treasury accounts.

Status of PD Accounts during the period 01 April 2016 to 31 March 2017 is given below:

Opening Balance as on 01 April 2016		Addition during the period 01 April 2016 to 31 March 2017		Closed during the period 01 April 2016 to 31 March 2017		Closing Balance as on 31 March 2017	
Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
58,418	22,465.96	230	55,496.42	109	51,448.40	58,539	26,513.98

Due to non rendering of administrator-wise PD accounts details, these balances could not be reconciled and the exact number and amount of lapsable unspent balances against these PD Accounts was also not provided by the State Government.

1.7 Sources and Application of Funds

1.7.1 Ways and Means Advances

Reserve Bank of India (RBI) extends Ways and Means Advances (WMA) and Overdraft (OD) facilities to enable State Governments to tide over temporary shortfalls in their cash balances. During 2016-17, Government of Andhra Pradesh has maintained minimum Cash Balance for 106 days without resorting to Ways and Means Advance and Overdraft, 70 days by taking Ordinary Ways and Means Advance, 259 days by taking Special Drawing Facility and 9 days by taking Overdraft from Reserve Bank of India, Nagpur.

The Government of Andhra Pradesh has availed ₹29,154.16 crore during 2016-17 which was credited to MH 6003. The entire amount was repaid during 2016-17 itself and was debited to MH 6003. Though the closing balance as on 31-03-2017 is Nil, this amount is depicted on both the Receipt/Payment sides as per extant accounting procedure. Further, the amount of interest on the Ways and Means Advances during 2016-17 was ₹ 6.58 crore.

Sources and Application of Funds

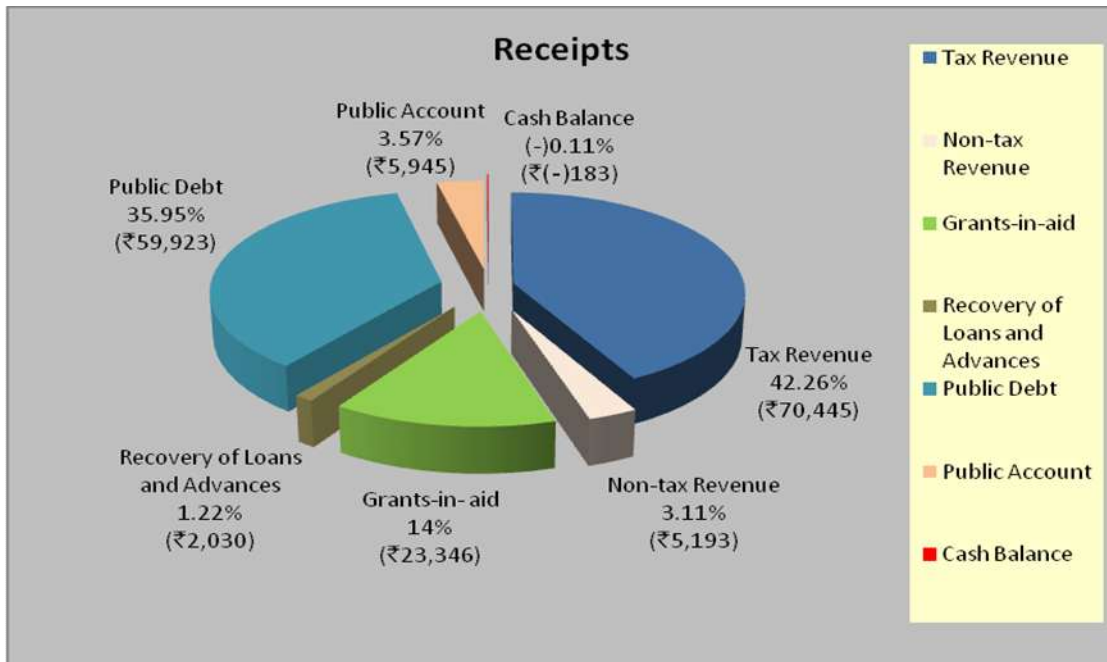
(In ₹ Crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2016	(-)415
	Revenue Receipts	98,984
	Recovery of Loans & Advances	2,030
	Capital Receipts	---
	Public Debt*	59,923
	Small Savings, Provident Fund & Others*	3,541
SOURCES	Reserves & Sinking Funds*	2,780
	Deposits Received*	56,530
	Civil Advances Repaid*	41
	Suspense & Miscellaneous*	62,433
	Remittances*	16,411
	Contingency Fund	---
	TOTAL	3,02,258
	Revenue Expenditure	1,16,215
	Capital Expenditure	15,144
	Loans Given	564
	Repayment of Public Debt*	34,777
	Small Savings, Provident Fund & Others*	1,653
APPLICATION	Reserves & Sinking Funds*	2,555
	Deposits Spent*	51,933
	Civil Advances Given*	42
	Suspense & Miscellaneous*	63,036
	Remittances*	16,572
	Contingency Fund	---
	ISS	(-)1
	Closing Cash Balance as on 31-03-2017	(-)232
	TOTAL	3,02,258

Note: (i) Items indicated with '*' are gross figures, and are eventually to be netted off, reducing the 'Total'.
(ii) The Suspense accounts include ₹ 43,228 crore invested in treasury bills which is shown on the 'Application' side, and ₹ 42,724 crore worth of treasury bills sold through the RBI (a process known as 'rediscounting' and or 'matured value' of treasury bills) which is shown on the 'Sources' side.

1.7.2 Where the Money came from

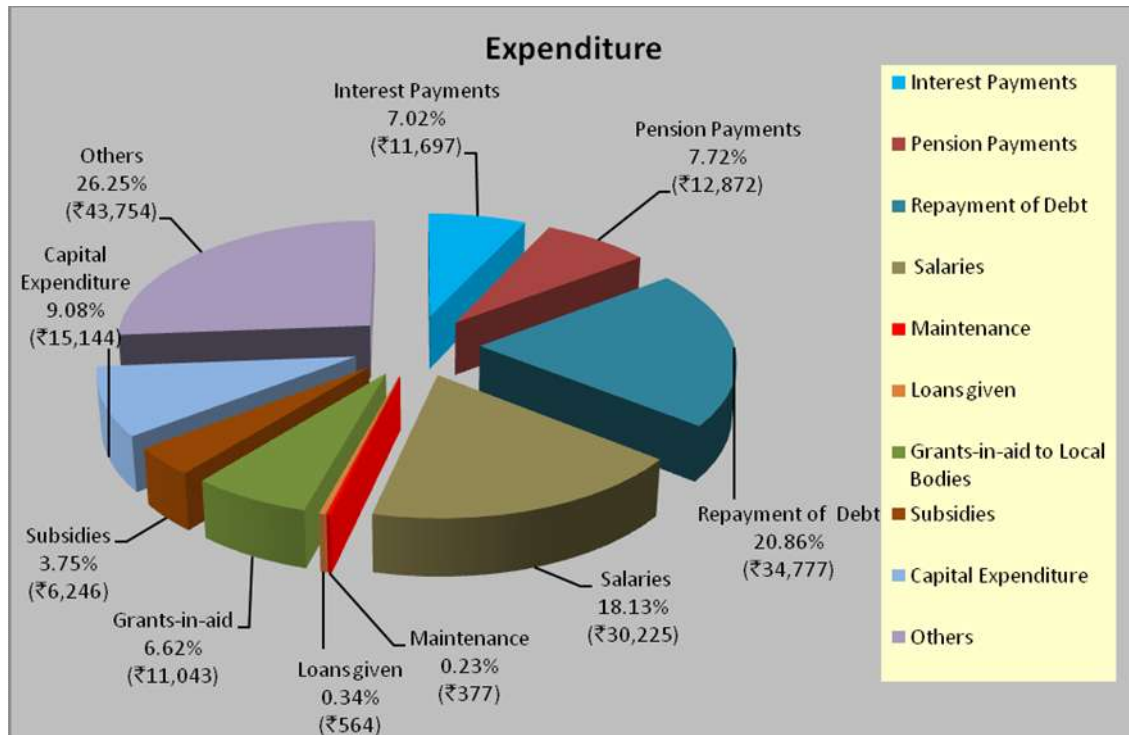
(In ₹ Crore)



Note: Public Account and Cash Balance components above are taken as 'net' and not 'gross' as shown in the Sources & Application Table (para 1.6). Public Debt does not include Receipt and Expenditure of Special drawing facility/ways and Means Advances.

1.7.3 Where the Money went

(In ₹ Crore)



1.8 Highlights of Accounts

(In ₹ Crore)

Component	Budget Estimates	Actual Expenditure	Percentage of actuals	
			B.E	GSDP ^(S)
1. Tax Revenue ^(@)	76,955	70,445	92	10
2. Non-Tax Revenue	5,495	5,193	95	1
3. Grants-in-aid & Contributions	26,849	23,346	87	3
4. Revenue Receipts (1+2+3)	1,09,299	98,984	91	14
5. Recovery of Loans & Advances	338	2,030	601	---
6. Borrowings & Other Liabilities ^(B)	20,498	30,908	151	4
7. Capital Receipts (5+6)	20,836	32,938	158	5
8. Total Receipts (4+7)	1,30,135	1,31,922	101	19
9. Non-Plan Expenditure ^(*)	81,001	79,891	97	11
10. NPE on Revenue Account	80,926	79,793	99	11
11. NPE on Interest Payments out of 10	12,258	11,697	95	2
12. NPE on Capital Account	74	98	132	---
13. Plan Expenditure ^(*)	49,134	52,031	106	7
14. PE on Revenue Account	33,242	36,422	110	5
15. PE on Capital Account	15,892	15,609	98	2
16. Total Expenditure (9+13) ^(Y)	1,30,135	1,31,922	101	19
17. Revenue Expenditure (10+14)	1,14,168	1,16,215	102	17
18. Capital Expenditure (12+15) ^(#)	15,966	15,707	98	2
19. Revenue Deficit (4-17)	(-4,869)	(-17,231)	354	2
20. Fiscal Deficit (4+5-16)	(-20,498)	(-30,908)	151	4

(@) Includes State's share of Union Taxes of ₹ 26,264 crore.

(S) GSDP figure of ₹ 6,99,307 crore adopted as provided by the Director of Economics and Statistics 2017.

(#) Expenditure on Capital Account includes Capital Expenditure (₹ 15,144 crore) and Loans and Advances disbursed (₹564 crore)

(*) Expenditure includes Loans and Advances under Non-plan (₹ 69 crore and ISS ₹1(-)1 crore) and under Plan (₹ 495 crore) and excludes expenditure on Public Debt (₹34,777 crore).

(Y) Expenditure does not include Public Debt as net of Public Debt has been taken under Borrowings and Liabilities

(B) Borrowings and other liabilities: Net (Receipts-Disbursements) of Public debt (₹25,146 crore) + Net of Contingency fund (₹ 0 crore) + Net (Receipts- Disbursements) of Public Account (₹5,945 crore) + Net of Opening and Closing cash balance (₹ (-)183 crore).

There is a Revenue Deficit of ₹17,231 crore (₹7,302 crore in 2015-16) and Fiscal Deficit of ₹30,908 crore (₹22,059 crore in 2015-16) representing 2 per cent and 4 per cent of the Gross State Domestic Product (GSDP)¹ respectively. The Fiscal Deficit constituted 23 per cent of total expenditure. Around 55 per cent of the Revenue Receipts (₹98,984 crore) of the State Government was spent on Committed Expenditure like Salaries² (₹30,225 crore), Interest Payments (₹11,697 crore) and Pensions (₹12,872 crore).

1.9 What the Deficit and Surplus indicate

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit /Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the borrowings should be invested in capital projects.

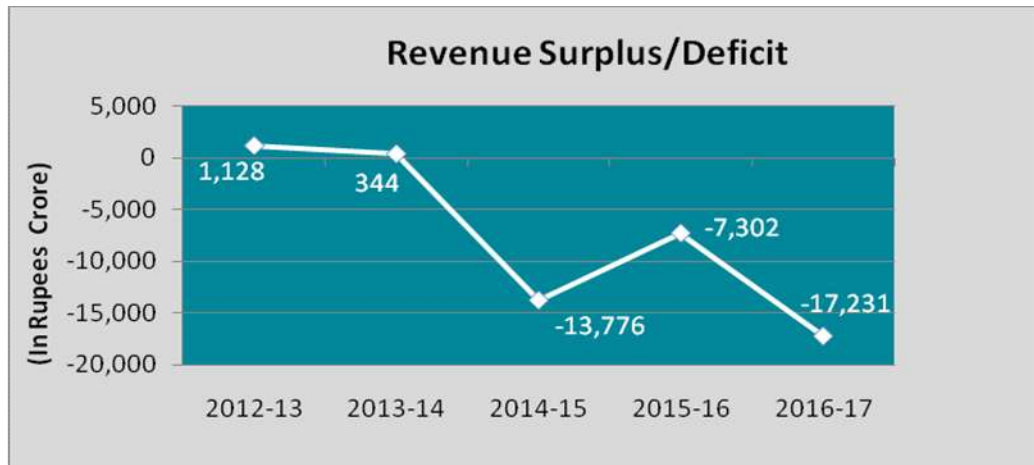
Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. Prudent financial management involves the generation of an annual Revenue Surplus, Revenue Receipts exceeding Revenue Expenditure.

Andhra Pradesh, which enacted its FRBM Act in 2005, maintained Revenue Surplus since 2006-07 onwards. During 01.04.2016 to 31.03.2017, the State Govt had a Revenue Deficit of ₹17,231 crore. State of Andhra Pradesh has maintained Fiscal Deficit - GSDP ratio at 2.32 per cent in 2011-2012, 3.66% in 2015-16 and 4.42 per cent in 2016-17.

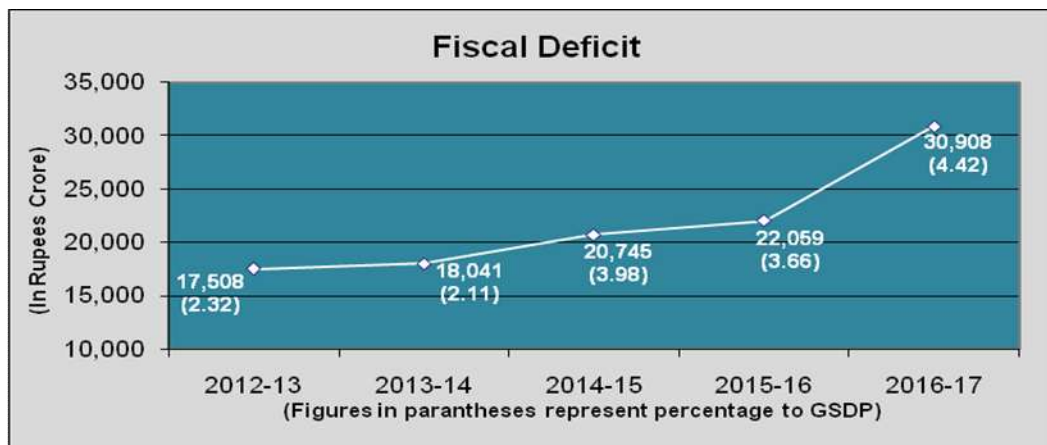
¹ GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017, for the revised current figures of previous years and for current year.

² Includes detailed heads 010-Salaries (₹26,440 crore), 020-Wages (₹52 crore), 030-Overtime allowance (0.05 crore), 310/311-Grants-in-Aid towards salaries (₹3,732 crore).

1.9.1 Trend of Revenue Surplus/Deficit:



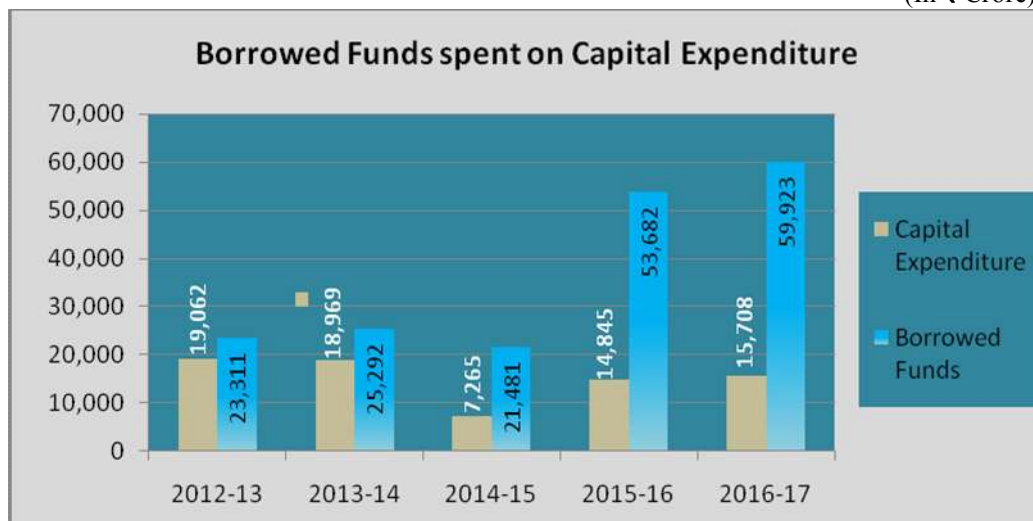
1.9.2 Trend of Fiscal Deficit:



Note: GDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017

1.9.3 Proportion of borrowed funds spent on Capital Expenditure.

(In ₹ Crore)



The extent to which the Fiscal Deficit, as presented by borrowed funds, has been channelised towards the creation of capital assets is an indicator of prudent financial management. Out of the borrowings of ₹59,923 crore, an amount of ₹15,708 crore was utilised to meet Capital Expenditure (including ₹564 crore disbursed as Loans & Advances).

Normally, Public Debt is discharged through the use of Revenue Surplus. In the year 2016-17, even though the State Government had Revenue Deficit of ₹17,231 crore, the Govt discharged a public debt of ₹34,777 crore.

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CHAPTER II

RECEIPTS

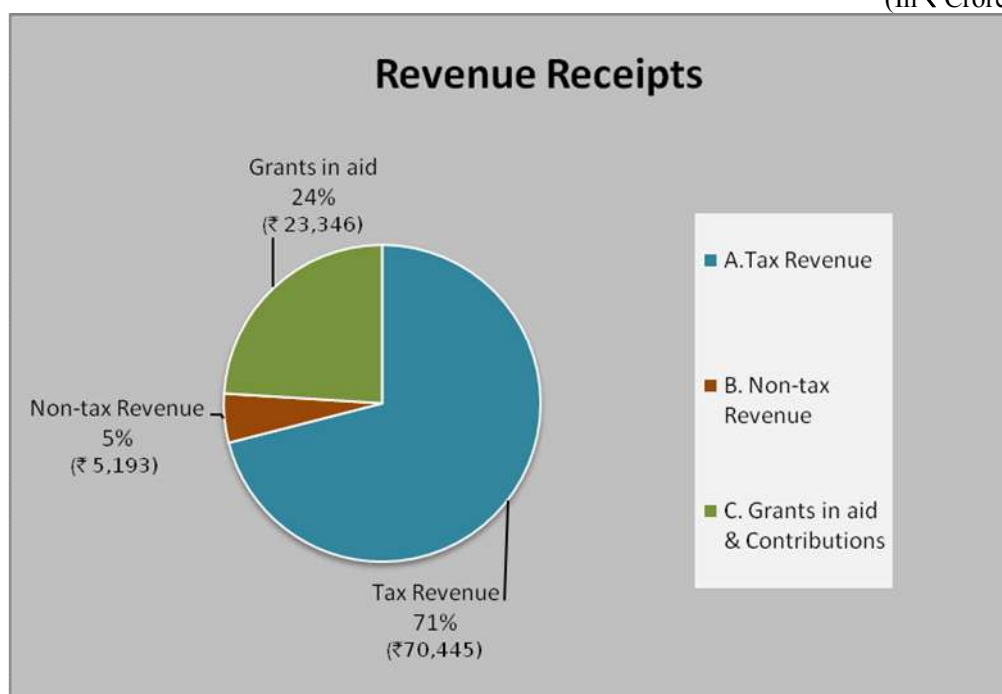
2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2016-17 were ₹1,31,992 crore against Budget estimate of ₹1,30,135.

2.2 Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants in Aid and Contributions	Grants-in-aid represent central assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from Foreign Governments and channelised through the Union Government. In turn, the State Government also gives Grants-in-aid to Panchayati Raj Institutions, Autonomous Bodies etc.

(In ₹ Crore)



Revenue Receipt Components (2016-17)

(In ₹ Crore)

Components	2015-16	2016-17	Percentage increase/decrease over previous year
A. Tax Revenue	61,800	70,445	14
Taxes on Income & Expenditure	11,932	14,515	22
Taxes on Property & Capital Transactions	3,777	3,854	2
Taxes on Commodities & Services	46,091	52,076	13
B. Non-Tax Revenue	4,920	5,193	6
Interest Receipts, Dividends and Profits	142	117	18
General Services	470	568	21
Social Services	1,514	1,618	7
Economic Services	2,794	2,890	3
C. Grants-in-aid & Contributions	21,928	23,346	6
Total – Revenue Receipts	88,648	98,984	12
Percentage to GSDP	15	14	...

Note: (i) GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017.

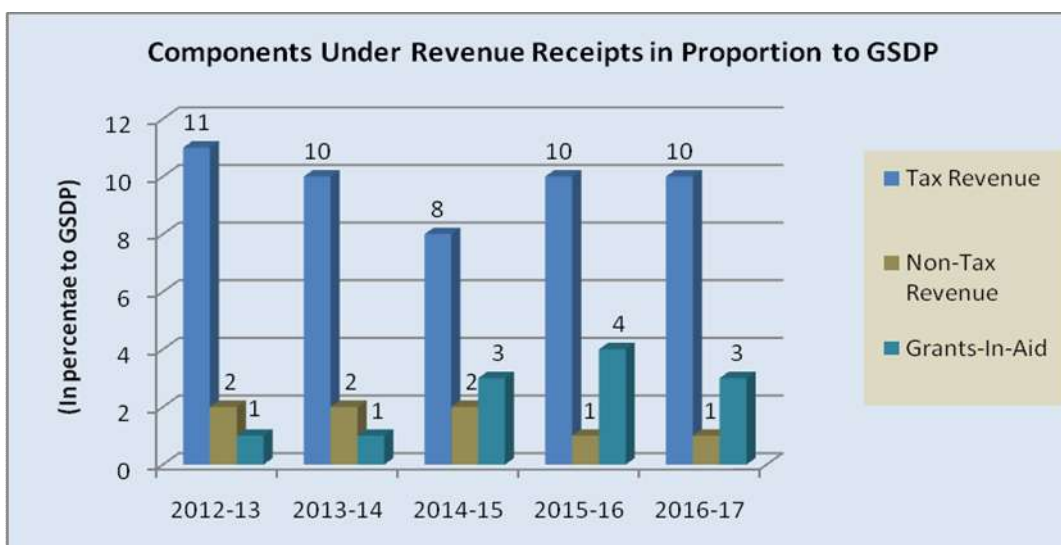
2.3 Trend of Receipts

(In ₹ Crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Tax Revenue	80,146 (11)	86,255 (10)	41,303 (8)	61,800 (10)	70,445 (10)
Non-Tax Revenue	15,999 (2)	15,473 (2)	8,181 (2)	4,920 (1)	5,193 (1)
Grants-in-aid	7,685 (1)	8,991 (1)	16,211 (3)	21,928 (4)	23,346 (3)
Total Revenue Receipts	1,03,830 (14)	1,10,719 (13)	65,695 (13)	88,648 (15)	98,984 (14)
GSDP	7,54,409	8,54,822	5, 20,030	6,03,376	6,99,307

Note: (i) GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017.

(ii) The Receipts of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15

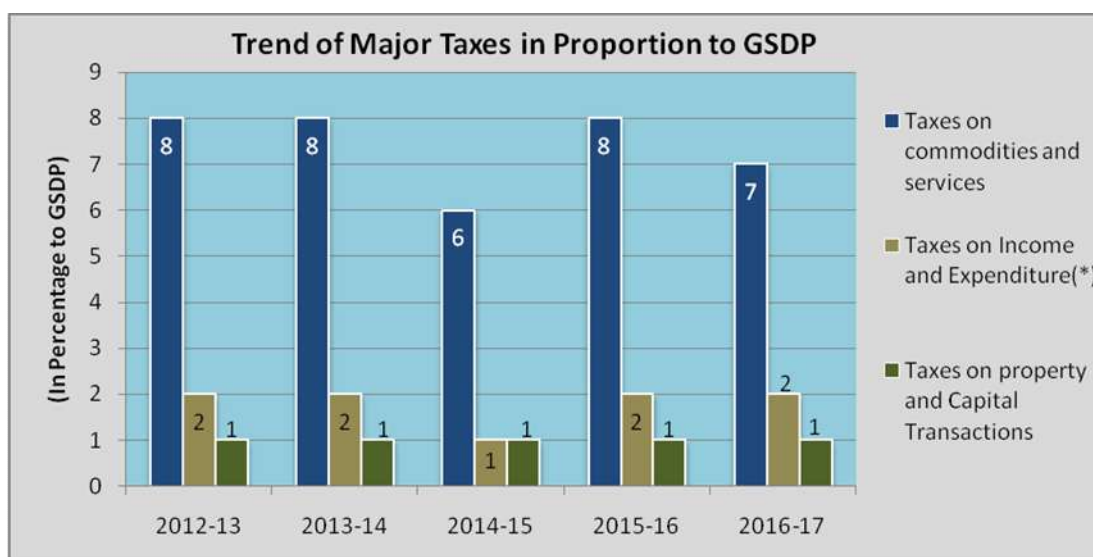


2.3.1 Sector-wise Tax Revenue

The sector-wise details are given below:

(In ₹ Crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Taxes on Income and Expenditure	12,221 (3)	12,864 (3)	7,099 (1)	11,932 (2)	14,515 (2)
Taxes on Property & Capital Transactions	5,461 (1)	4,667 (1)	2,730 (1)	3,777 (1)	3,854 (1)
Taxes on Commodities and Services	62,464 (15)	68,724 (15)	31,474 (6)	46,091 (8)	52,076 (7)
Total Tax Revenue	80,146	86,255	41,303	61,800	70,445



(*) Primarily net proceeds of Central share to the State

2.4 Performance of State's Own Tax Revenue Collection

(In ₹ Crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			₹	Percentage to GSDP
2012-13	80,146	20,271	59,875	8
2013-14	86,255	22,132	64,123	8
2014-15	41,303	11,446	29,857	6
2015-16	61,800	21,894	39,906	7
2016-17	70,445	26,264	44,181	6

Note: (i) GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017

(ii) The Receipts of 2016-17 is for the period 01 April 2016 to 31 March 2017

(iii) The Receipts of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15

The proportion of the State's Own Tax Revenues to GSDP is 6.32 percent whereas the ceilings fixed based on the recommendations of the Fourteenth Finance Commission is 7.3 percent.

2.5 Efficiency of Tax Collection:

A. Taxes on Property and Capital Transactions

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue collection	5,461	4,667	2,730	3,777	3,854
Expenditure on collection	243	222	139	236	201
Percentage of Efficiency of tax collection	4.45	4.75	5.09	6.25	5.22

Note: The actual figures of Receipts and Disbursements are excluding State's share of Union Taxes

B. Taxes on Commodities and Services

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue collection	62,464	68,724	31,474	46,091	52,076
Expenditure on collection	733	857	536	667	717
Percentage of Efficiency of tax collection	1.17	1.25	1.70	1.45	1.38

Note: The actual figures of Receipts and Disbursements are excluding State's share of Union Taxes

2.6 Trend in State's share of Union Taxes over the past five years

(In ₹ Crore)

Major Head description	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase/decrease over previous year
(a) Taxes on Income & Expenditure	11,641	12,344	6,914	11,682	14,262	22
Corporation Tax	7,282	7,443	4,033	6,890	8,414	22
Taxes on Income other than Corporation Tax	4,359	4,901	2,881	4,792	5,848	22
(b) Taxes on Property & Capital Transactions	12	21	11	2	19	850
Taxes on Wealth	12	21	11	2	19	850
(c) Taxes on Commodities & Services	8,618	9,767	4,521	10,210	11,983	17
Customs	3,369	3,611	1,868	3,498	3,619	3
Union Excise Duties	2,289	2,550	1,027	2,909	4,133	42
Service Tax	2,960	3,606	1,626	3,788	4,231	12
Commodities and Other Taxes and Duties on Services	---	---	---	15	---	
State's share of Union Taxes	20,271	22,132	11,446	21,894	26,264	20
Total Tax Revenue	80,146	86,255	41,303	61,800	70,445	14
Percentage of Union Taxes to total Tax Revenue	25	26	28	35	37	...

Note: (i) The Receipts of 2016-17 is for the period 01 April 2016 to 31 March 2017

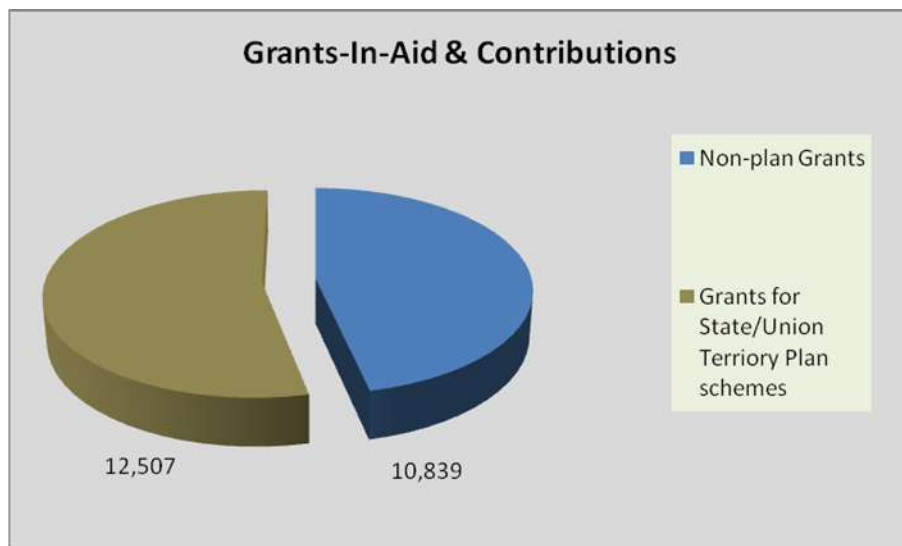
(ii) The Receipts of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15

2.7 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise,

- Non-plan Grants
- Grants for State/Union Territory Plan schemes
- Other Grants

Total receipts during 2016-2017 under Grants-in-aid were ₹ 23,346 crore as shown below.



The share of Non-plan Grants in total Grants-in-aid increased from 45 per cent during 2015-16 to 46 per cent in 2016-17. The share of Grants for plan schemes decreased over previous year when compared to budget estimates. State received ₹12,507 crore (80 per cent of the budget estimate of ₹15,549 crore) against ₹10,325 crore (83 per cent) received last year for plan schemes.

2.8 Public Debt

Trend of Public Debt (net) over the past 5 years

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt	15,597	17,893	13,191	15,780	25,078
Central Loans	37	114	(-)809	(-)542	67
Total Public Debt	15,634	18,007	12,382	15,238	25,145

Note: The Receipts of 2016-17 is for the period 01 April 2016 to 31 March 2017(12 months).

In 2016-17, 20 loans at par totalling ₹19,500 crore at interest rates varying from 6.63 per cent to 8.09 per cent and redeemable in the years between 2020 and 2035 were raised from the open market and ₹1,284 crore from the existing loanees. In addition, the State Government raised ₹38,325 crore from financial institutions, Interstate suspense adjustment due to bifurcation of state amounting to credit of ₹(-)1crore. Thus, the Internal Debt totalled ₹59,108 crore. The State Government received ₹814 crore from Government of India as Loans and Advances and repayments were ₹747 crore in 2016-17.

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CHAPTER III

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure (which is used to meet the day-to-day running of the Government), and Capital Expenditure (which is used to create permanent assets, or to enhance the utility of such assets or to reduce permanent liabilities). Expenditure is further classified under Plan and Non-plan.

General Services	Includes Justice, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

The shortfall of Revenue Expenditure against budget estimates during the past five years is given below:

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Budget Estimates (BE)	1,12,342	1,26,749	98,142	97,425	1,14,168
Actuals	1,02,702	1,10,375	79,471	95,950	1,16,215
Gap	9,640	16,374	18,671	1,475	(-)2,047
Percent of gap over BE	9	13	19	1	2

Note: The Expenditure of 2016-17 is for the period 01 April 2016 to 31 March 2017

The excess of Revenue Expenditure above budget estimates, is to be viewed in the light of the State Government's commitment under the FRBM Act, to be at least Revenue deficit neutral if not generate a Revenue Surplus. Around 40 per cent of the revenue expenditure was "committed", on Salaries³ (₹30,601 crore), Interest Payments (₹11,697 crore) and Pensions (₹12,872 crore).

³ Includes detailed heads 010-Salaries (₹26,440 crore), 020-Wages (₹52 crore), 030-Overtime allowance (0.05 crore), 270/273, Work charged establishment (₹377 crore) & 310/311-Grants-in-aid towards salaries (₹3,732 crore).

The position of Committed Revenue Expenditure over the last five years is given below:

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage of increase/decrease over previous year
Revenue expenditure	1,02,702	1,10,375	79,471	95,950	1,16,215	21
Committed Revenue Expenditure ^(*)	53,342	58,940	31,592	48,099	55,170	15

(*) Salary component excludes Capital Expenditure on salary

Note: (i) The Expenditure of 2016-17 is for the period 01 April 2016 to 31 March 2017

(ii) The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15

Targets fixed by the State Government in APFRBM Act, 2005 and the rules framed there under, and ceilings fixed by the Fourteenth Finance Commission, and achievements as per the accounts of 2016- 17 are given below:

Sl.No.	Targets for 2016-17	Achievements in 2016-17
1.	Revenue Surplus: To be maintained	Revenue Deficit: ₹ 17,230.72 crore.
2.	Fiscal Deficit: 3 per cent of GSDP	a) ₹ 30,908.17 crore (including ₹ 8,256.01 crore pertaining to UDAY bonds in outstanding Liabilities) works out to 4.42 per cent of GSDP. b) ₹ 22,652.16 crore (excluding ₹ 8,256.01 crore pertaining to UDAY bonds in outstanding Liabilities) works out to 3.24 per cent of GSDP.
3.	Outstanding Liabilities: Not to exceed 28.90 per cent of GSDP by the end of 2016-17 as per FRBM Act as amended in Act 8 of 2011.	a) 30.17% of GSDP Including UDAY bonds (₹ 8,256.01 crore) b) 28.99% of GSDP Excluding UDAY bonds (₹ 8,256.01 crore)
4.	Annual incremental risk weighted Guarantees: 90 per cent of the Total Revenue Receipts (TRR) in the year preceding the current year.	Outstanding Guarantees as on 31 March 2017: ₹ 9,664.94 crore (10.90 percent of TRR of ₹ 88,647.80 in 2015-16).

Note: GSDP figure at current prices for 2016-17: ₹ 6,99,307 crore (Source: Directorate of Economics and Statistics, A.P.).

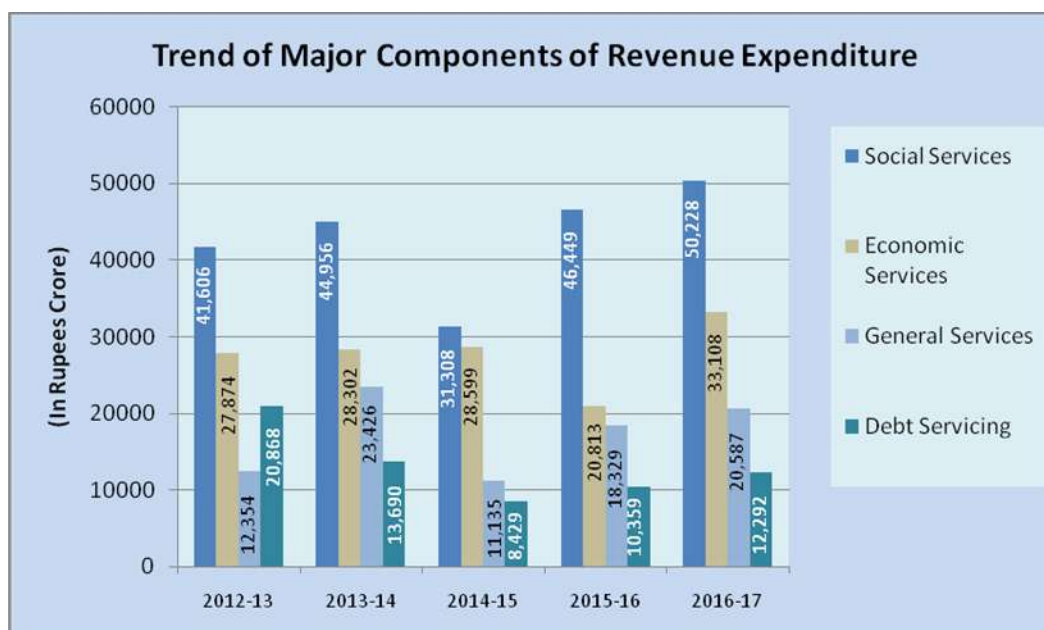
3.2.1 Sectoral Distribution of Revenue Expenditure (2016-17)

(In ₹ Crore)

Component	2015-16	2016-17	Percentage increase/decrease over previous year
A. Fiscal Services	903	918	2
(i) Collection of Taxes on Property and Capital transactions	236	201	(-15)
(ii) Collection of Taxes on Commodities and Services	667	717	7
(iii) Other Fiscal Services	...	...
B. Organs of State	618	499	(-19)
C. Interest Payments and Servicing of Debt	10,359	12,292	19
D. Administrative Services	5,455	6,205	14
E. Pensions and Miscellaneous General Services	11,238	12,872	15
F. Social Services	46,449	50,228	8
G. Economic Services	20,813	33,108	59
H. Grants-in-aid and Contributions	115	93	(-19)
Total Expenditure (Revenue Account)	95,950	1,16,215	21

Note: The Expenditure of 2016-17 is for the period 01 April 2016 to 31 March 2017

3.2.2 Major components of Revenue Expenditure (2012 – 2017)



- General Services exclude MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest Payments) and includes MH 3604 (Compensation and Assignment to Local Bodies and Panchayati Raj Institutions).

Note: The Expenditure of 2016-17 is for the period 01 April 2016 to 31 March 2017.

3.3 Capital Expenditure

The table below shows the trend of Capital Expenditure to Budget and GSDP for the last 5 years:

		(In ₹ Crore)				
Sl. No	Component	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Budget(B.E)	19,973	21,278	7,070	9,819	15,388
2.	Actual Expenditure	15,149	15,280	6,520	14,172	15,144
3.	Percentage of Actual Expenditure to B.E.	76	72	92	144	98
4.	Percentage of Growth in Capital Expenditure	10	1	(-57)	117	7
5.	GSDP	7,54,409	8,54,822	5, 20,030	6,03,376	6,99,307
6.	Percentage of Growth of GSDP	14	13	12	16	16

Note: (i) Does not include expenditure on Loans and Advances. GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017.

(ii) The Expenditure of 2016-17 is for the period 01 April 2016 to 31 March 2017

(iii) The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15

3.3.1 Sectoral Distribution of Capital Expenditure

During 2015-16, Government spent ₹9,572 crore on various projects (₹7,781 crore on Major Irrigation, ₹78 crore on Medium Irrigation, and ₹1,713 crore on Minor Irrigation) and ₹6.68 crore on Ports and Light Houses. Apart from the above, the Government spent ₹858 crore on construction of Buildings, ₹18 crore on construction of Roads and Bridges, ₹277 crore on Rural Water Supply Schemes, ₹241 crore on investment in various Corporations/Companies/Societies and ₹4,171 crore on other Capital Expenditure.

3.3.2 Comparative sectoral distribution of Capital and Revenue Expenditure over the past 5 Years

(In ₹ Crore)

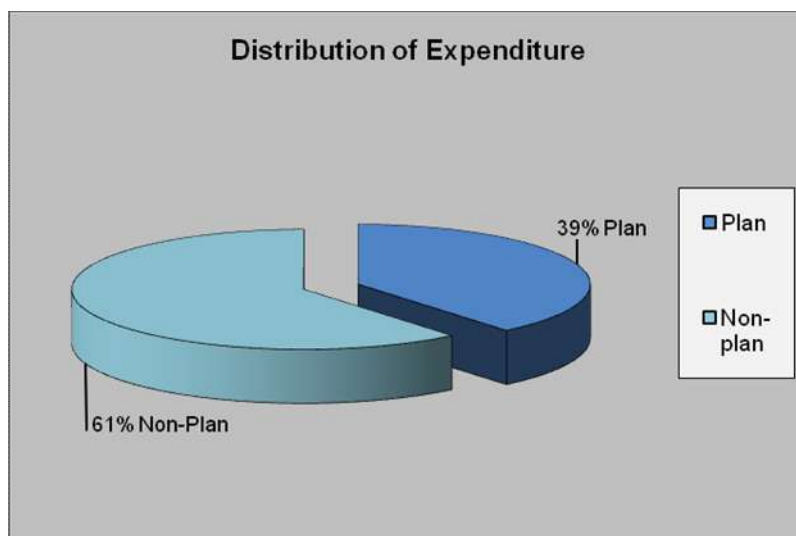
Sl. No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase/decrease over previous year
1.	General Services (Capital)	212	309	129	180	295	64
	General Services (Revenue)	33,064	36,899	19,480	28,573	32,786	15
2.	Social Services (Capital)	1,072	1,378	1,585	2,415	2,431	1
	Social Services (Revenue)	41,606	44,956	31,308	46,449	50,228	8
3.	Economic Services (Capital)	13,865	13,593	4,806	11,577	12,418	7
	Economic Services (Revenue)	27,874	28,302	28,599	20,813	33,108	59

Note: i) Capital Expenditure does not include expenditure on loans and advances (₹564 crore).
ii) Revenue Expenditure does not include expenditure on Grants-in-aid (₹93 crore).
iii) The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15.

CHAPTER IV

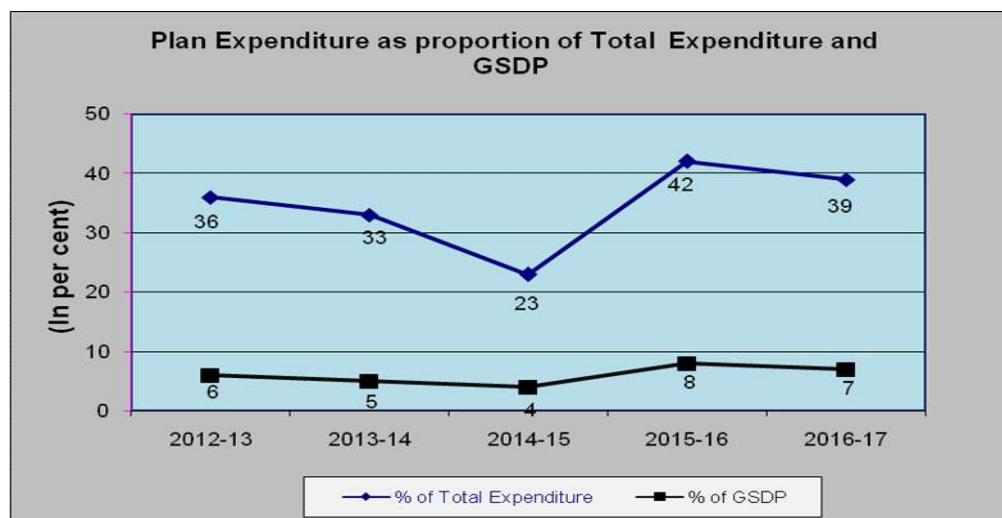
PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2016-17)



4.2 Plan Expenditure

Plan Expenditure (Revenue, Capital and Loans) during 2016-2017 was ₹52,031 crore, constituting 39 per cent of total disbursements of ₹1,31,922 crore. This comprised, ₹39,159 crore under State Plan, ₹12,377 crore under Centrally Sponsored/ Central Plan Schemes⁴ and ₹495 crore on Loans and Advances. The plan expenditure as percentage to total expenditure in 2015-16 was 42 percent and 39 percent in 2016-17, whereas plan expenditure to GSDP in 2015-16 was 8 percent and 7 percent in 2016-17.



⁴ Includes ₹6,568 crore under Revenue Section and ₹5,809 crore under Capital Section.

4.2.1 Plan Expenditure under Capital Account

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase/decrease over previous year
Total Capital Expenditure ^(*)	19,062	18,969	7,265	14,845	15,708	6
Capital Expenditure (Plan)	18,472	18,048	6,815	14,529	15,609	4
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	97	95	94	98	97	....

Note: The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15.

(*) Includes expenditure on Loans and Advances.

4.2.2 Plan Expenditure under Revenue Account

(In ₹ Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase/decrease over previous year
Total Revenue Expenditure	1,02,702	1,10,375	79,471	95,950	1,16,215	21
Revenue Expenditure (Plan)	25,241	24,137	13,000	31,978	36,422	14
Percentage of Revenue Expenditure (plan) to Total Revenue Expenditure	25	22	16	33	31	.....

Note: The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15.

4.2.3 Plan Expenditure on Loans and Advances

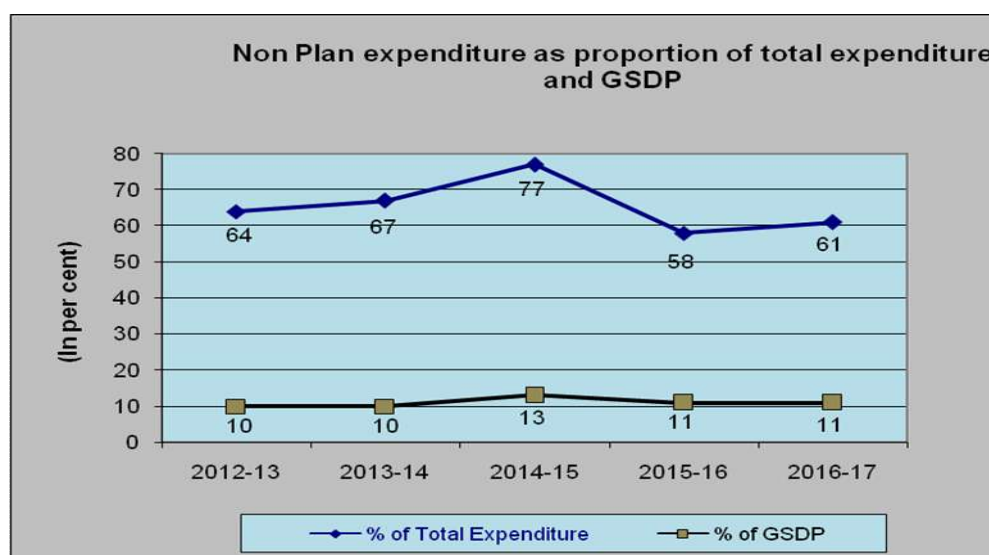
Significant disbursements of Loans and Advances during 2016-17 were as under:

(In ₹ Crore)

Description	Amount	Details
MH-6216-Loans for Housing	100	AP State Housing Corp for weaker section Housing programme under NTR Programme etc.,
MH-6217-Loans for Urban Development	50	Machilipatnam Area Development Authority(MADA)
	20	Loans to AP Township and Infra Development Corp.Ltd(APTSIDCO)
MH-6801-Loans for Power Projects	115	Loans to AP Transmission Corporation
MH-7055-Loans for Road Transport	161	Loans to AP State Road Transport Corporation

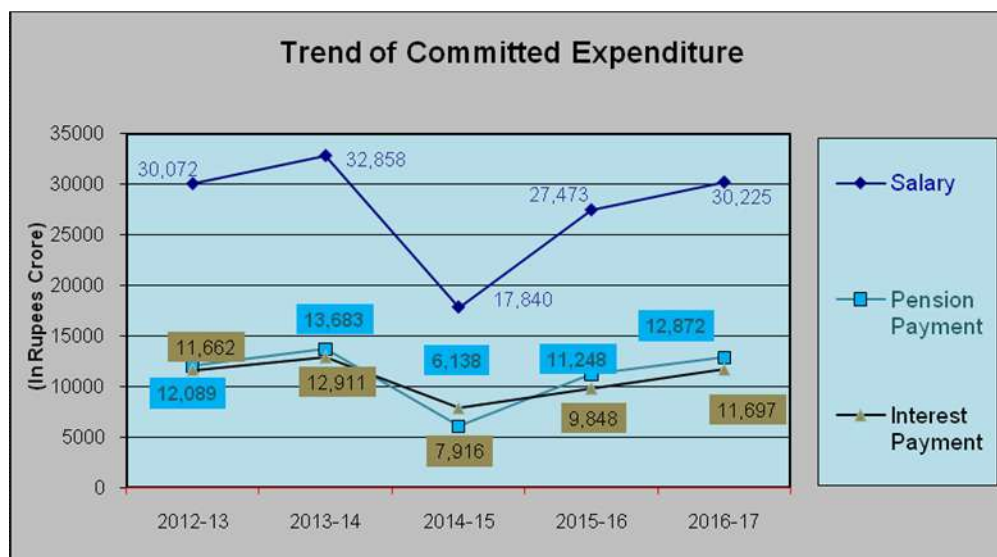
4.3 Non-plan Expenditure

Non-plan expenditure during 2016-2017, representing 61 per cent of total disbursements, was ₹79,891 crore (₹79,793 crore under Revenue and ₹98 crore under Capital). Non-plan expenditure under Capital constitutes ₹30 crore under Capital and ₹69 crore on Loans and Advances and ₹(-)1 crore towards ISS disbursed. Out of total Non-plan expenditure ₹374 crore (0.47 per cent) spent on maintenance, ₹28,959 crore (36 per cent) constituted Salary and Wages.



4.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pensions is treated as Committed Expenditure. Interest payments increased by 19 per cent in 2016-17 over the previous year. Pension payment increased by 14 per cent and Salary payment increased by 10 per cent in 2016-17 over the previous year.



Note: i) Salary component includes detailed heads 010-Salaries, 020- Wages, 030- Overtime Allowance, 270/273- Work charged establishment & 310/311- Grants-in-Aid towards salaries.
ii) The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015.

The ratio of Committed Expenditure to Revenue Expenditure and Revenue Receipts over the past five years is given below:

(In ₹ Crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase/decrease over previous year
Committed expenditure	53,823	59,452	31,894	48,569	54,794	13
Revenue Expenditure	1,02,702	1,10,375	79,471	95,950	1,16,215	21
Revenue Receipts	1,03,830	1,10,719	65,695	88,648	98,984	12
Percentage of Committed Expenditure to Revenue Receipts	52	54	49	55	55	...
Percentage of Committed Expenditure to Revenue Expenditure	52	54	40	51	47	(-8)

Note: The Expenditure of 2014-15 is for the period 02 June 2014 to 31 March 2015. Percentage increase/decrease has been calculated on pro rata basis for the year 2014-15.

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CHAPTER V

APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts for 2016-17

(In ₹ Crore)

Sl. No	Nature of expenditure	Original grant	Supplementary grant	Total	Actual Expenditure	Saving (-) Excess (+)	Surrender (by way of re-appropriation)
1	Revenue						
	Voted	1,03,853	21,407	1,25,260	1,10,777	(-)14,483	(-)14,923
	Charged	12,310	18	12,328	11,749	(-)579	(-)569
	Total	1,16,163	21,425	1,37,588	1,22,526	(-)15,062	(-)15,492
2	Capital						
	Voted	15,405	6,613	22,018	15,458	(-)6,560	(-)6,686
	Charged	27	15	42	27	(-)15	(-)15
	Total	15,432	6,628	22,060	15,485	(-)6,575	(-)6,701
3	Public Debt						
	Charged	5,554	27,654	33,208	34,777	(+)1,569	(-)110
	Total	5,554	27,654	33,208	34,777	(+)1,569	(-)110
4	Loans and Advances						
	Voted	579	196	775	563	(-)212	(-)211
	Total	579	196	775	563	(-)212	(-)211
	Grand Total	1,37,728	55,903	1,93,631	1,73,351	(+)20,280	(-)22,514

Note: Savings are with reference to Budget estimates.

5.2 Significant Savings

Substantial savings under a Grant indicates either non-implementation or slow implementation of certain schemes/ programmes.

Some Grants with persistent and significant savings (percentage of budget) are given below:

(In ₹ Crore)

Grant	Nomenclature	Budget allocation	Actual Expenditure	Percentage of Savings to Budgeted Expenditure
II	Governor and Council of Ministers	35	20	43
IV	General Administration and Elections	450	273	39
XV	Sports and Youth Services	512	285	44
XVIII	Housing	1,326	589	56
XXV	Women, Child and Disabled Welfare	2,224	1,551	30
XXXVI	Industries and Commerce	1,887	711	40
XXXVII	Tourism, Art and Culture	292	111	62

The persistent savings under Housing, Women, Child and Disabled Welfare and Industries and Commerce reflects schemes envisaged in the Budget, with the Legislative approval, had been given lesser priority during implementation, either due to conservative approach of the Government to attain the fiscal indicator targets or the shortfall is purely due to inaccuracy in budget estimation process of the department.

During 2016-17, Supplementary Provisions for ₹55,903crore (32 per cent of total expenditure) were obtained, and in some cases, it was proved unnecessary. A few instances, where there were significant savings at the end of the year as against original allocations are given below:

(In ₹ Crore)

Grant	Nomenclature	Section	Original	Actual Expenditure	Savings	Supplementary
IX	Fiscal Administration, Planning, Surveys and Statistics	Revenue	20,659	19,149	1,510	35
X	Home Administration	Revenue	4,631	4,524	107	78
XVI	Medical and Health	Capital	477	393	84	28
XVII	Municipal Administration and Urban Development	Capital	1,785	431	1,354	84
XVIII	Housing	Revenue	993	457	536	193
XXVIII	Animal Husbandry and Fisheries	Capital	95	67	28	27
		Revenue	1,246	1,169	77	88
XXIX	Forest, Science, Technology and Environment	Revenue	357	304	53	9
XXXIII	Major and Medium Irrigation	Revenue	624	578	46	21
XXXVII	Tourism, Art and Culture	Capital	52	26	26	3

Note: Savings = Original-Actual Expenditure.

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CHAPTER VI

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year 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 as Share Capital in non-financial Public Sector Undertakings (PSUs) stood at ₹8,971 crore at the end of 2016-2017. ₹4.23 crore (0.05 per cent of investment) was received as dividends indicating an inadequate return on investment.

Cash balance with the RBI stood at ₹(-)415 crore on 1st April 2016 and increased further to ₹(-)232 crore at the end of 31 March 2017. Government had invested an amount of ₹ 42,724 crore in 14 days treasury bills in 2016-17 and rediscounted bills worth ₹ 43,228 crore.

6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India, from time to time determines, the limit up to which State Governments can borrow from the market which is ₹19,500 crore for 2016-17. Against this, Government of Andhra Pradesh availed of open market borrowings totalling ₹20,783 crore during 2016-17.

Details of the Public Debt and Total Liabilities of the State Government are as under:

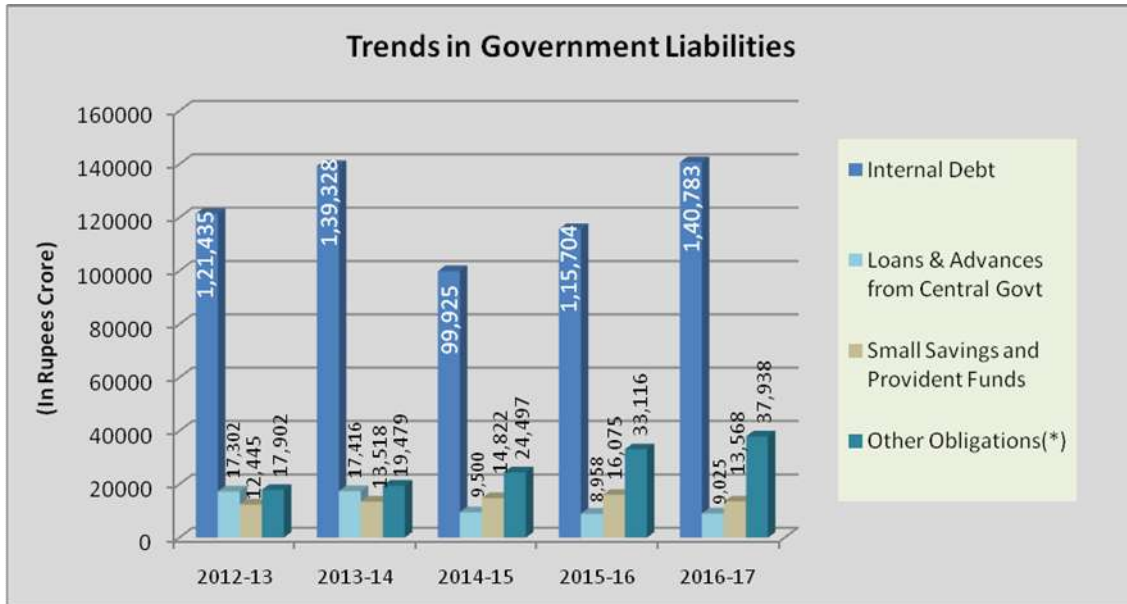
(In ₹ Crore)

Year	Public Debt	Percentage to GSDP	Public Account ^(*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2012-13	1,38,737	18	30,347	4	1,69,084	22
2013-14	1,56,744	18	32,997	4	1,89,741	22
2014-15	1,09,425	21	39,319	8	1,48,744	29
2015-16	1,24,662	21	49,191	8	1,73,853	29
2016-17	1,49,808	21	51,506	7	2,01,314	29

(*) Excludes Suspense and Remittance balances.

Note: Figures are progressive balances to end of the year. Percentage to GSDP figures in this publication are adopted as provided by the Director of Economics and Statistics 2017, for the revised current figures of previous years and for current year.

Public Debt and Other Liabilities showed a net increase of ₹27,461 crore (16 per cent) over the previous year due to raising of new long-term market loans.



(*) Includes interest & non-interest bearing obligations such as deposits of local funds, other earmarked funds, etc.

6.2.1 Committed Liabilities:

In terms of the Twelfth Finance Commission recommendations, some action has been initiated by the Central Government to move towards accrual basis of accounting. However, as the transition would occur in stages, for a changeover to the accrual based system of accounting, some additional information in the form of statements is required to be appended to the present system of cash accounting to ensure more transparency in decision making. This includes data on Committed Liabilities in the future among others like implications of major policy decisions taken by the Government during the year or new schemes proposed in the budget for future cash flows, etc. Appendix XII on Committed Liabilities has been kept blank for want of information from the State Government. Therefore, the accounts are incomplete to that extent.

6.2.2 Ujwal Discom Assurance Yojana (UDAY) scheme:

The Government of India has launched the UJWAL DISCOM ASSURANCE YOJANA (UDAY) for financial turnaround of Power Discoms under Article 293(3) of the Constitution of India by taking over the Debt (75%) in a phased manner during the financial years 2015-16 and 2016-17.

The Government of Andhra Pradesh issued a G.O. 243 dated 19/12/2016 to avail the scheme to the tune of ₹8,256.01 crore in the year 2016-17. The expenditure for taking over the liability by the State Government was booked under MH 2801-Power -05 Transmission and

Distribution duly crediting MH 6003-00-106-07-Taking over of DISCOMS liability under UDAY scheme.

6.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various Plan Schemes, programmes which are projected outside the State budget. The Guarantees given by the State Government to Statutory Corporations, Government Companies, Corporations, Cooperative Societies etc., are given below:

(In ₹ Crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 March	
		Principal	Interest
2012-13	38,084	14,477	380
2013-14	55,536	31,153	543
2014-15	11,323	10,675	1
2015-16	10,623	7,059	417
2016-17	16,576	9,665	65

Note: Details are available at Statement No.9 and are based on information received from the State Government and where available, from the respective institutions.

Guarantee fees is payable at 0.5 per cent per annum or 2 per cent for the amount guaranteed for the entire guarantee period. As on 31 March 2017, ₹1.30 crore received towards Guarantee Fee for the year. The State Government transferred ₹51 crore to the Guarantee Redemption Fund and the entire balance of ₹628 crore at the credit of the Fund was invested.

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CHAPTER VII

OTHER ITEMS

7.1 Adverse Balances under Internal Debt

From time to time, the Government of Andhra Pradesh, assumed the liabilities of various institutions by permitting them to borrow from the open market/ financial institutions, with the Government taking over the responsibility for repayment. As on 31 March 2017, an adverse balance of ₹112 crore exists under MH 6003-Internal Debt. Out of this, ₹86 crore represents loans availed of by the Andhra Pradesh Road Development Corporation. ₹22 crore pertains to repayments on behalf of Co-operatives. The PAG(A&E) has been requesting the State Government to provide adequate budget provision to clear the adverse balance under MH 6003.

7.2 Loans and Advances by the State Government

The total Loans and Advances made by the State Government at the end of 2016-2017 was ₹27,472 crore. Of this, Loans and Advances to Government Corporations/ Companies, Non-Government Institutes and Local Bodies amounted to ₹27,069 crore. Recovery of principal aggregating to ₹28,570 crore and interest amounting to ₹9,530 crore is in arrears at the end of 31 March 2017. During 2016-17, only ₹2,029 crore has been received towards repayment of Loans and Advances, out of which ₹28 crore relate to repayment of loans to Government Servants. Effective steps to recover the outstanding loans would facilitate the Government to maintain better fiscal position.

7.3 Financial assistance to Local Bodies and others

During the past five years, Grants-in-aid to Local Bodies etc., increased from ₹30,939 crore in 2012-2013 to ₹53,979 crore in 2016-2017. Grants to Zilla Parishads, Panchayat Samitis, Gram Panchayats and Municipalities (₹10,485 crore) represented 19 per cent of the total grants given during the year.

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

(In ₹ Crore)

Year	Zilla Parishads	Municipalities	Panchayat Samithis	Others	Total
2012-13	6,251	1,721	844	22,123	30,939
2013-14	6,816	1,133	1,542	17,851	27,342
2014-15	4,039	1,629	1,935	30,045	37,648
2015-16	5,512	1,359	2,002	30,821	39,694
2016-17	5,821	2,186	2,479	43,493	53,979
Percentage increase/decrease over previous year	5.60	60.85	23.83	41.11	35.99

7.4 Cash Balance and Investment of Cash Balance

(In ₹ Crore)

Component	As on 01 April 2016	As on 31 March 2017	Net increase (+)/ decrease (-)
Cash Balances	(-)415(-Dr)	(-)232(-)Dr	183
Investments from Cash Balance (GOI Treasury Bills)	3,193(Dr)	3,698(Dr)	505
Other Cash Balances	2(Dr)	2(Dr)	...
i) Departmental Balances	1(Dr)	1(Dr)	...
ii) Permanent Cash Imprest	1(Dr)	1(Dr)	...
Investment from earmarked fund balances	5,412(Dr)	6,483(Dr)	1,071
(a) Sinking Fund	4,820(Dr)	5,844(Dr)	1,023
(b) Guarantee Redemption Fund	581(Dr)	628(Dr)	47
(c) Other Funds	11(Dr)	11(Dr)	...
Interest realised	499(Cr)	578(Cr)	79

State Government had a negative closing cash balance at the end of 2016-17. It invested ₹6,484 crore towards cash balances and earmarked fund (Consolidated Sinking Fund, Guarantee Redemption Fund etc) balances.

7.5 Submission of Accounts by Treasuries

All the initial accounts were rendered by Treasuries & Pay and Accounts Officers (PAOs) of the Public Works and Forest departments during the year and no accounts were excluded.

7.6 Commitments on Account of Incomplete Capital Works

A total expenditure of ₹9.25 crore was incurred up to the year 2016-17 by the State Government on various incomplete projects against an estimated cost of ₹571 crore. The estimated cost was further revised to ₹627 crore to end of 2016-17. During 2016-17, a total expenditure of ₹5 crore was incurred by the State Government on various projects taken up by engineering departments. An amount of ₹40 crore was due to be paid to the end of 31-03-2017. The original estimated cost (₹571 crore) increased by 10 per cent in revised estimates on various projects. A summarised view on commitments on account of 'Incomplete Capital Works' is furnished below:

(In ₹ Crore)

Sl. No.	Category of Works	Estimated cost of work	Expenditure during the year	Progressive Expenditure to the end of the year	Pending Payments	Estimated cost after Revision
1.	Buildings	...	...	...	...	...
2.	Bridges	...	...	...	...	...
3.	Roads	9.00	1.68	6.18	0.44	9.00
4.	Others	562.00	3.07	159.63	301.00	618.00
	TOTAL	571.00	4.75	165.81	301.44	627.00

- Note: i) Detailed information towards commitments on Incomplete Capital Works is available in Appendix X of Finance Accounts 2016-17.
ii) The figures exhibited in above table are compiled from the data provided by various Divisions/Departments.

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