



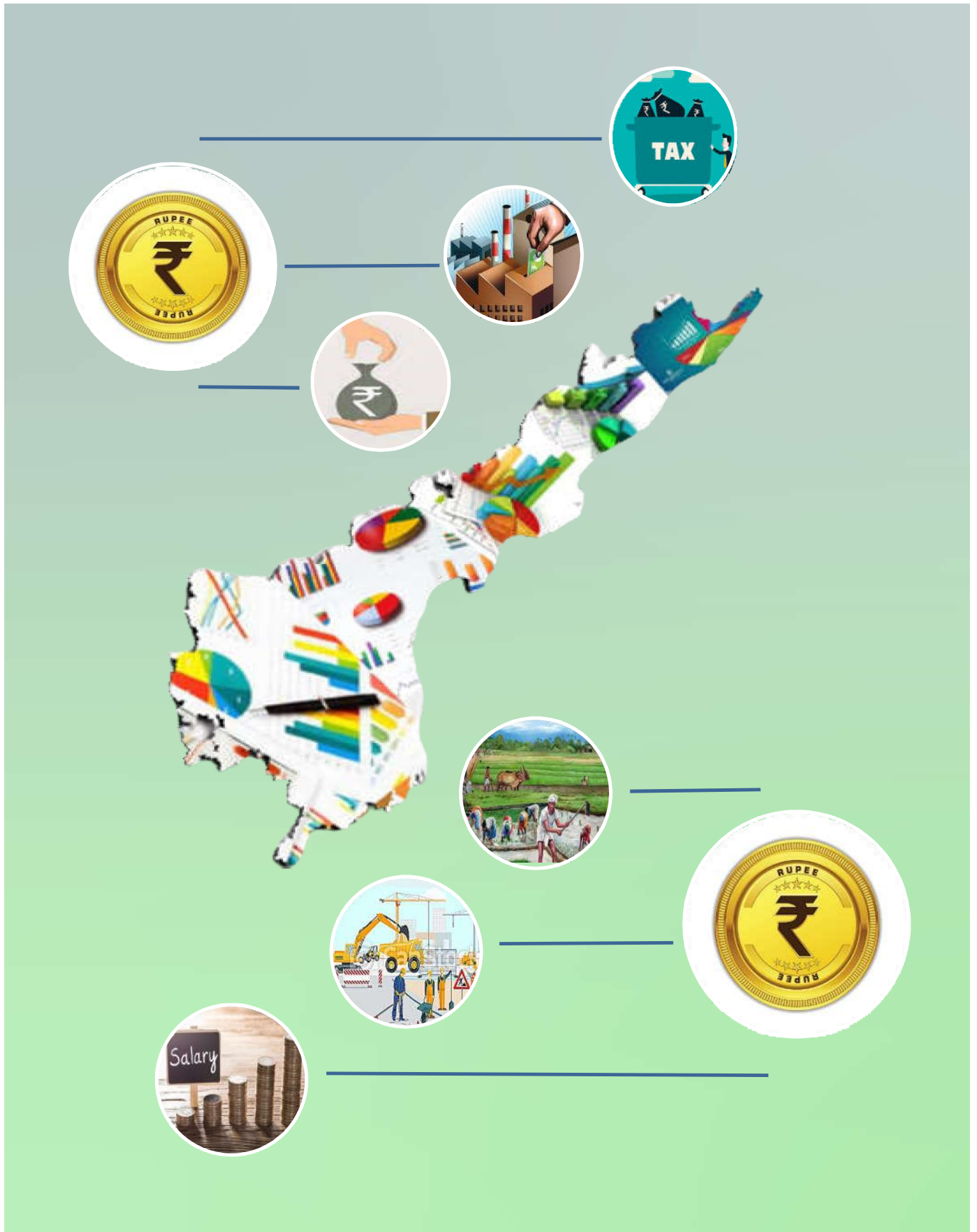
Accounts at a Glance 2020-21



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Andhra Pradesh



Principal Accountant General (A&E), Andhra Pradesh

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.

Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, the Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise gross expenditures vis-a-vis Budget as approved by the State Legislature along with explanations for variations between the actual expenditure and the funds provided.

“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, if any, the figures depicted in the Finance and Appropriation Accounts may be treated as correct.

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

Our Email address: agaeandhrapradesh@cag.gov.in

Date : 21/03/2022
Place : Vijayawada


(Lata Mallikarjuna)
PRINCIPAL ACCOUNTANT GENERAL(A&E)
ANDHRA PRADESH

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 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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CHAPTER 1

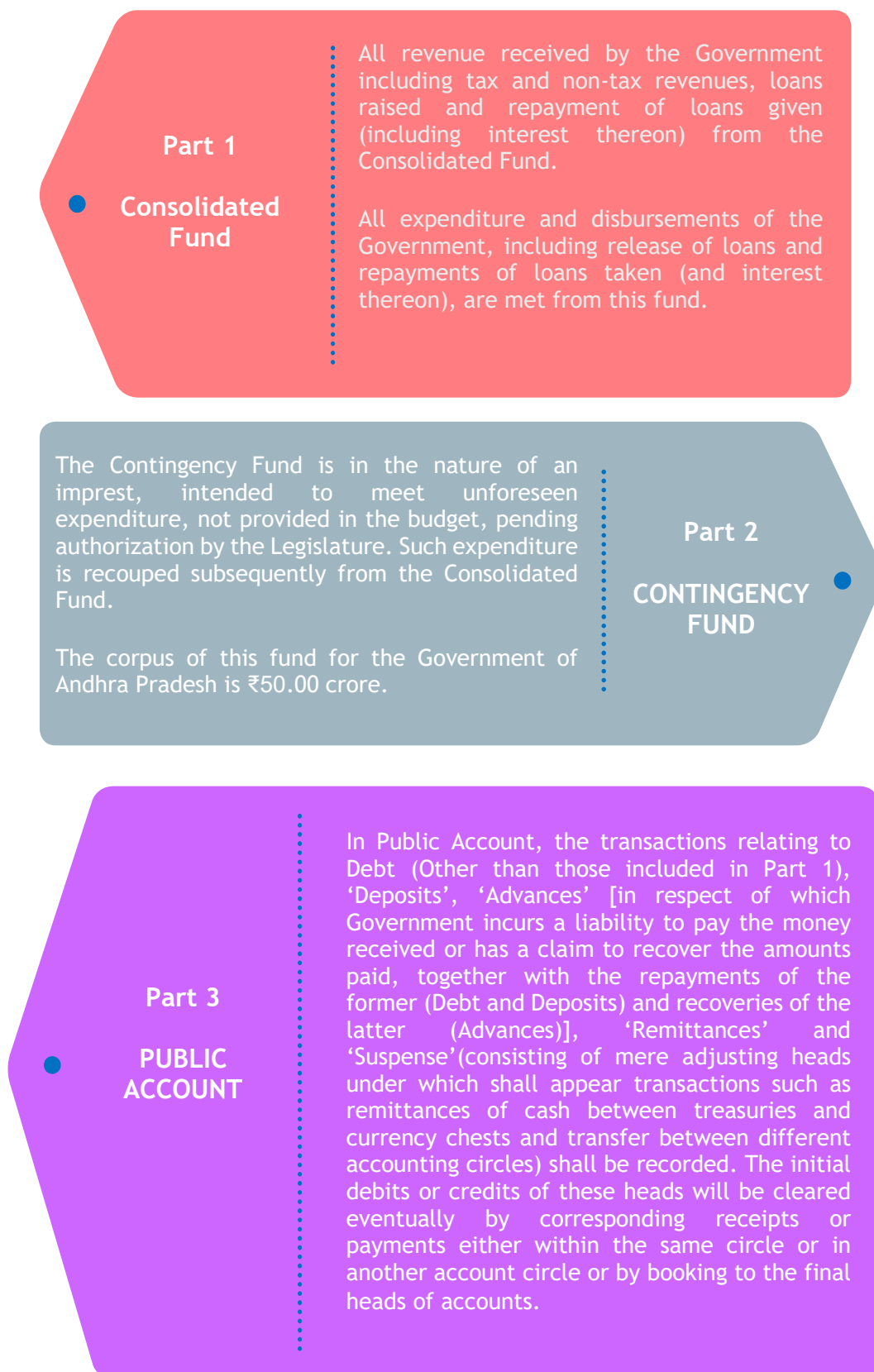
OVERVIEW

1.1 Introduction

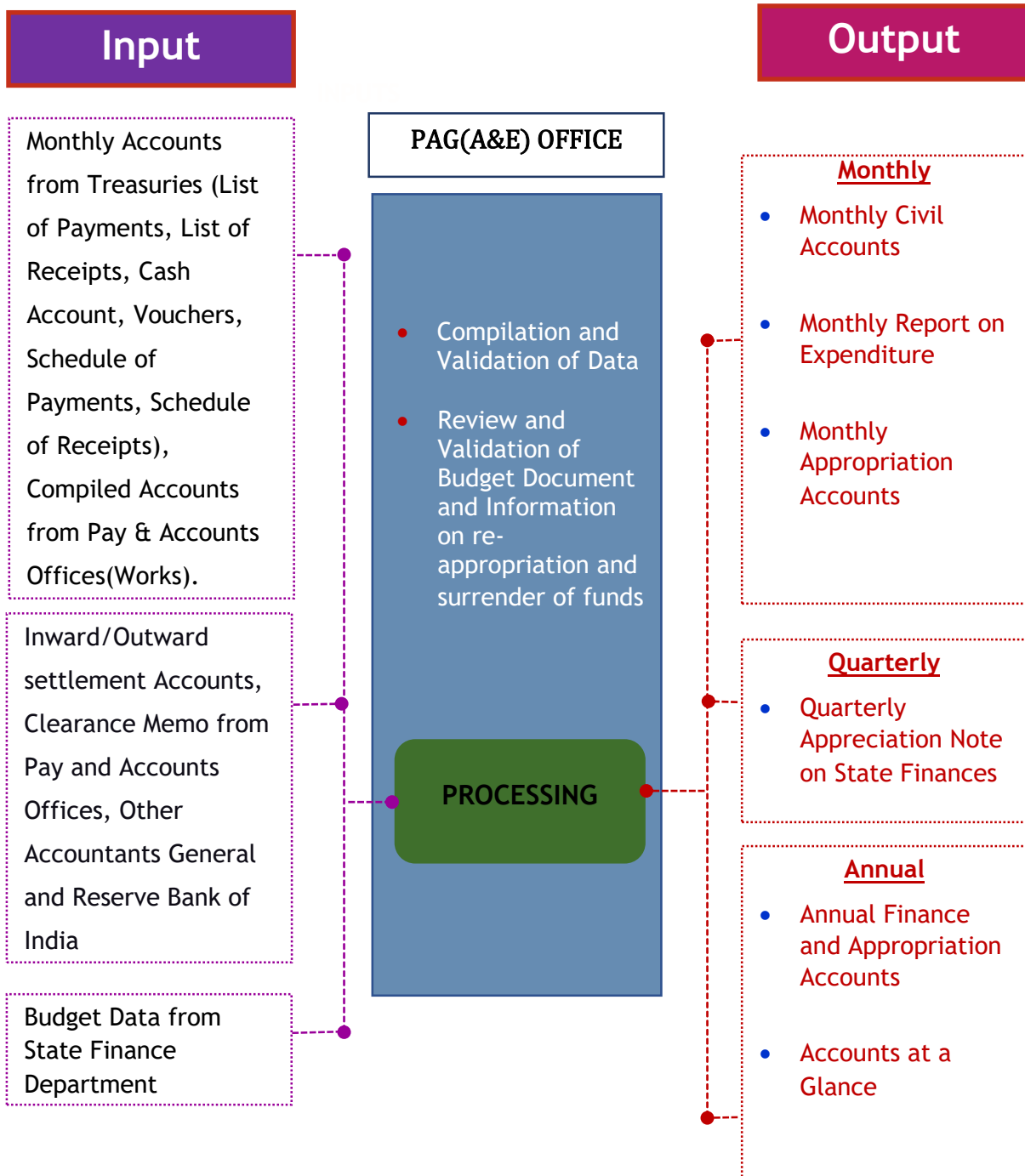
The Principal Accountant General (Accounts and Entitlement) [Pr.AG(A&E)], Andhra Pradesh compiles the accounts of receipts and expenditure of the Government of Andhra Pradesh. This compilation is based on the initial accounts rendered by Thirteen District Treasuries (DTOs), Nineteen Public Works Pay and Accounts Offices (PAO (W), Three Pay and Accounts Offices, Three Thungabhadra Division and Advices of the Reserve Bank of India and, 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. The financial transactions are being conducted through Comprehensive Financial Management System (CFMS) since April 2018. Based on these, the Pr.AG(A&E) furnishes the Monthly Civil Accounts to the Finance Department. At the end of the year, after audit by the Principal Accountant General (Audit), 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 Government Accounts

Government Accounts are kept in three parts as detailed below:



1.2.1 Compilation of Accounts



1.3 Finance 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, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing the summary of significant accounting policies, comments on quality of accounts and other items.
- Volume II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and Disbursement of the State Government as depicted in the Finance Accounts 2020-21 are as below:

(₹ in crore)			
Receipts (Total: 1,73,367)	Revenue (Total: 1,17,136)	Tax Revenue	81,869
		Non-Tax Revenue	3,395
		Grants-in-Aid and Contributions	31,872
	Capital (Total: 56,231)	Recovery of Loans and Advances	1,063
		Capital Receipts (non-debt)	---
		Borrowings and other Liabilities (*)	55,168
Disbursements (Total: 1,73,367)	Revenue		1,52,677
	Capital		18,975
	Loans and Advances		1,715
	Inter State Settlement		0

(*) Borrowings and other Liabilities: Net of Public Debt (Receipts - Disbursement) + Net of Contingency Fund + Net of Public Account (Receipts - Disbursement) + 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 (₹11,890 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 Financial highlights of 2020-21

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2020-21:

Sl. No	Component	Budget Estimates (₹ in crore)	Actuals (₹ in crore)	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP ¹
1	Tax Revenue (including Central Share) ²	1,02,917	81,869	79	8
2	Non-Tax Revenue	5,866	3,395	58	---
3	Grants-in-aid & Contributions	53,175	31,872	60	3
4	Revenue Receipts (1+2+3)	1,61,958	1,17,136	72	12
5	Recovery of Loans & Advances	600	1,063	177	---
6	Borrowings & Other Liabilities ³	48,296	55,168	114	5
7	Capital Receipts (5+6)	48,896	56,231	115	5
8	Total Receipts (4+7)	2,10,854	1,73,367	82	17
9	Revenue Expenditure	1,80,393	1,52,677	85	15
10	Expenditure on Interest Payments(Out of 9)	20,383	20,018	98	2
11	Capital Expenditure ⁴	30,462	20,690	68	2
12	Total Expenditure (9+11) ⁵	2,10,855	1,73,367	82	17
13	Revenue Surplus (+)/Deficit (-) (4-9)	(-)18,435	(-)35,541	193	3
14	Fiscal Deficit (4+5-12)	(-)48,297	(-)55,168	114	5

¹ GSDP figure of ₹9,86,611 crore adopted as provided in the Andhra Pradesh Socio-Economic Survey.

² Includes State's share of Union Taxes of ₹17,237 crore.

³ Borrowings and other liabilities: Net (Receipts-Disbursements) of Public debt (₹43,701 crore) + Net of Contingency fund (₹Nil crore) + Net (Receipts- Disbursements) of Public Account (₹10,917 crore) + Net of Opening and Closing cash balance (₹ (-)550 crore).

⁴ Capital Expenditure includes Capital Expenditure (₹18,975 crore), Loans and Advances disbursed (₹1,715 crore) and Inter State Settlement ₹0 crore

⁵ Expenditure does not include Public Debt as net of Public Debt has been taken under Borrowings and Liabilities

1.3.3 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 expenditures require to be “voted”. The budget of Government of Andhra Pradesh has 15 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.

1.3.4 Efficiency on Budget preparation

At the end of the year, the expenditure of Government of Andhra Pradesh against the budget approved by the Legislature, showed an excess of ₹48,757 crore (19.08 per cent of total grants). Details of grants showing consistent savings, excesses, unwanted supplementary provision etc. are detailed in Chapter 4.

1.4 Cash Management

1.4.1 Ways and Means Advances and Special Ways and Means Advances

Reserve Bank of India (RBI) extends Special Drawing Facility / Ways and Means Advances to enable State Government to tide over temporary shortfalls in their minimum cash balance (₹1.94 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2020-21, Government of Andhra Pradesh availed ways and means advance of ₹1,04,539.24 crore on 331 days (184 days of Ordinary Ways and Means Advance, 44 days of Special Drawing Facility and 103 days of Overdraft) and the same ₹1,04,539.24 crore was repaid during the year leaving ‘Nil’ balance at the end of the year. Further, an amount ₹83.05 crore was paid as interest on the Ways and Means Advances during 2020-21.

1.4.2 Overdraft from the Reserve Bank of India

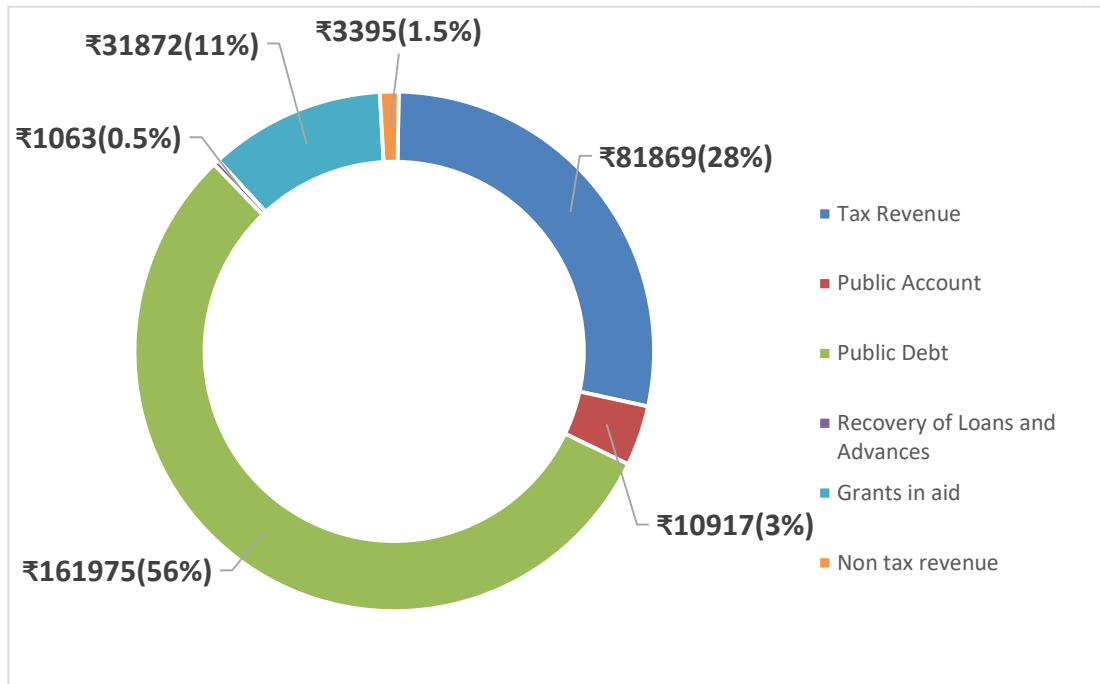
Overdraft is taken from the Reserve Bank of India when the minimum cash balance falls below ₹1.94 crore, even after taking Ways and Means Advances. During 2020-21, Government of Andhra Pradesh availed Overdraft from Reserve Bank of India for 103 days amounting to ₹31,812.27 crore.

1.4.3 Fund Flow

Figures in the next page shows how the State Government raised money from various sources and spent money for various objects like salary, pension, interest etc. The State had a Revenue Deficit of ₹35,541 crore and Fiscal Deficit of ₹55,168 crore as on 31 March 2021. The Fiscal Deficit constituted 31.82 per cent of total expenditure.

Where the Money came from

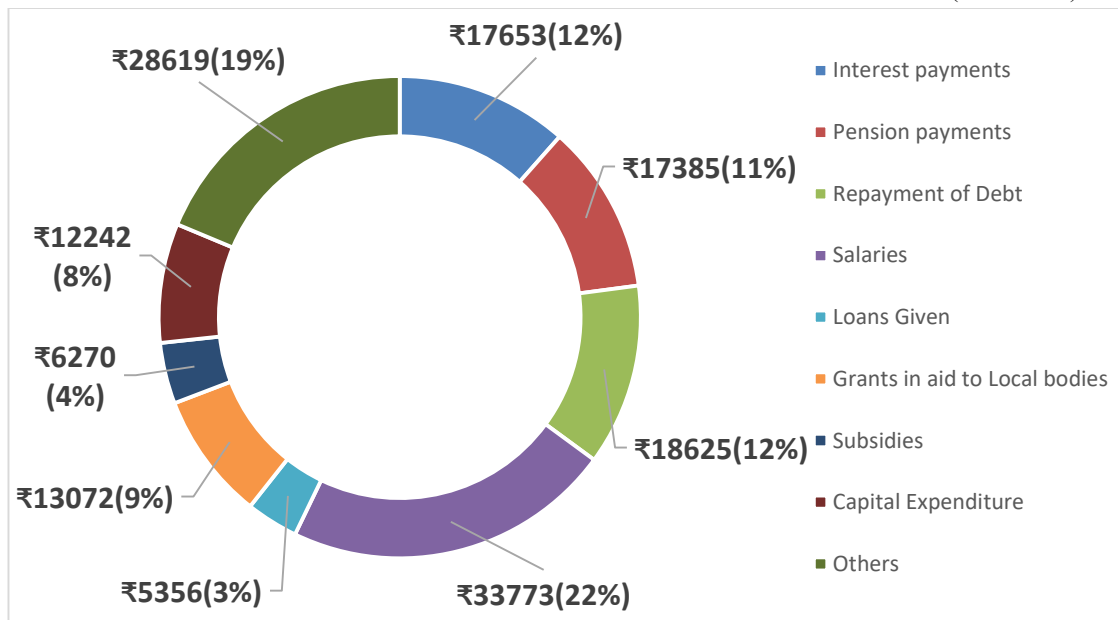
(₹in crore)



Note: The figure shown as Public Debt is Gross figure and Public Account is Net figure

Where the Money went

(₹in crore)



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

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Andhra Pradesh has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2020-21 against fiscal targets laid down in the Act and rules framed there under were as follows:

Sl. No.	Parameter	Actual (₹ in crore)	Ratio to GSDP	
			Target	Achievement
1	Revenue Deficit	35,540	To become Revenue Surplus (4.5 or less)	3.60 rounded to 3(not achieved)
2	Fiscal Deficit	55,167	5.00 or less	5.59 rounded to 5(not achieved)
3	Debt and other obligation	3,48,246	35.00 or less	35.30 (not achieved)

GSDP figure of ₹9,86,611 crore adopted as provided in the Andhra Pradesh Socio-Economic Survey.

What do the Surplus and Deficit indicate?

DEFICIT

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.

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.

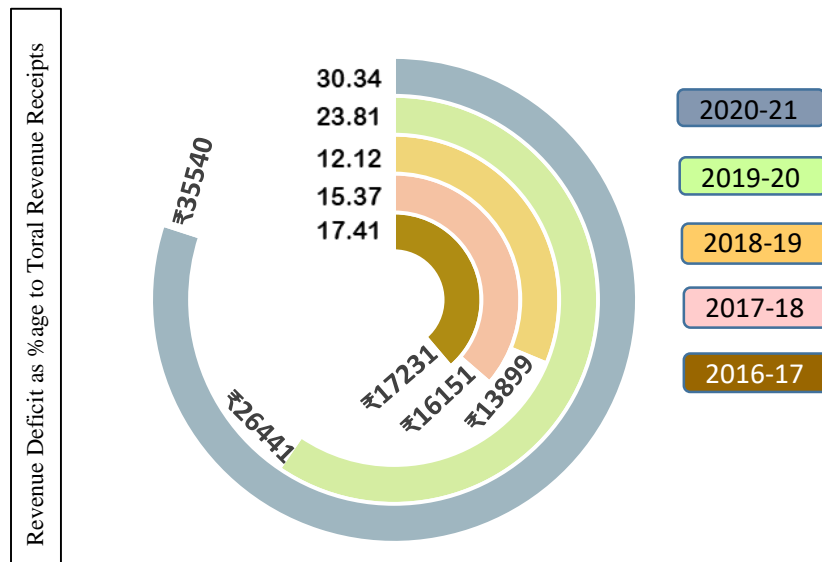
REVENUE DEFICIT / SURPLUS

FISCAL DEFICIT / SURPLUS

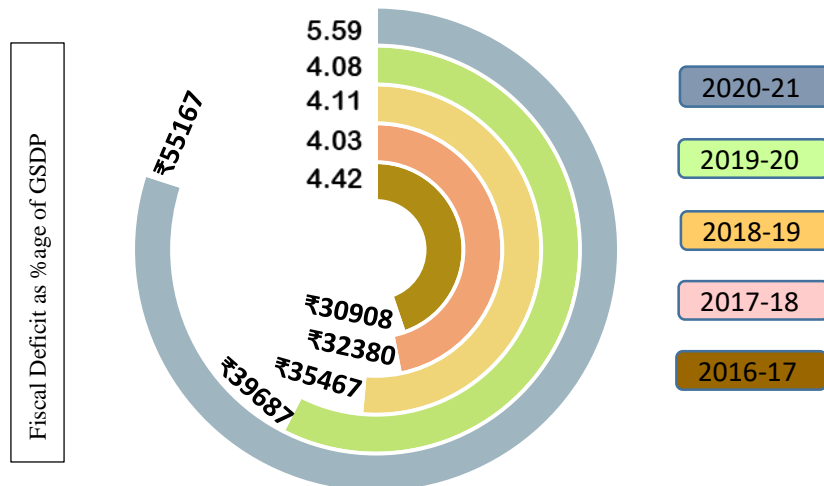
The gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the borrowings should be invested in capital projects.

The trend of Revenue deficit as percentage of total Revenue receipts and Fiscal deficit as percentage of GSDP are shown below. In the past five years, State Government has always been in Revenue deficit and Fiscal deficit has always been more than the desired level of 3% of GSDP (₹9,86,611 crore) as prescribed in the FRBM Act. Fiscal Deficit as %age of GSDP

Revenue Deficit (₹in crore)



Fiscal Deficit (₹in crore)



CHAPTER 2

RECEIPTS

2.1 Introduction

The Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2020-21 were ₹1,73,367 crore against Budget estimate of ₹2,10,854 crore.

2.2 Revenue Receipts

The revenue receipts of the Government comprises of three components viz. 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, dividends, profits, departmental receipts etc.

• NON-TAX REVENUE

• GRANTS-IN-AID

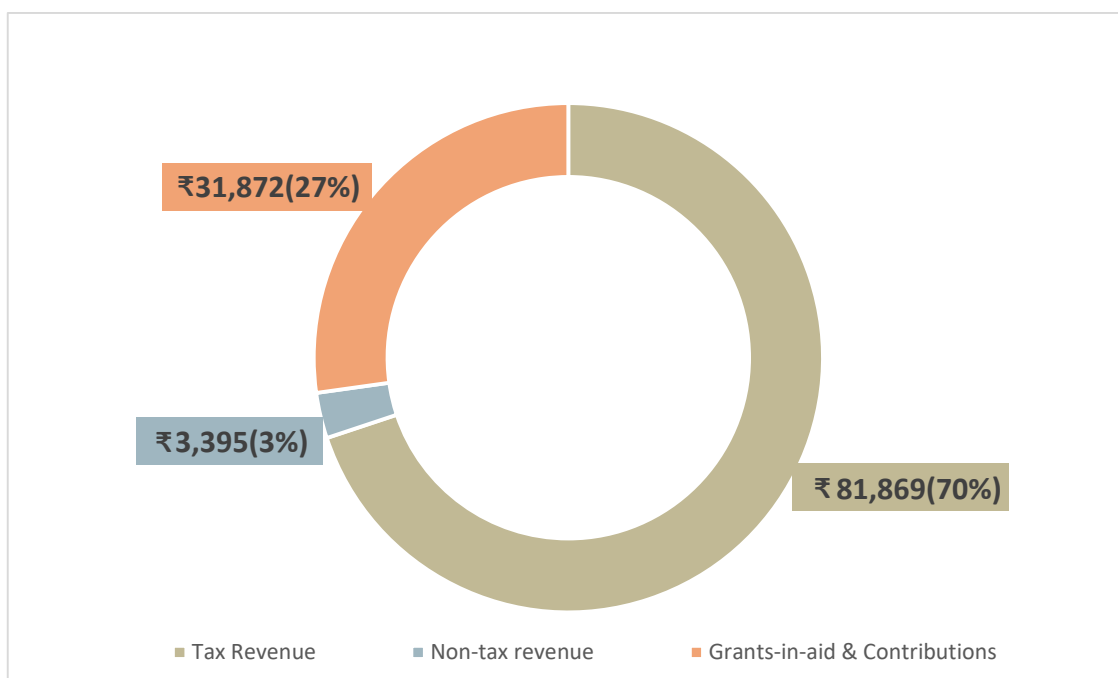
Represent central assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from Foreign Governments and channelised through the Union Government. In turn, the State Government also gives Grants-in-aid to Panchayati Raj Institutions, Autonomous Bodies etc.

2.2.1 Components of Revenue Receipt

Components		Actuals (₹ in crore)	As Percentage of Total Revenue Receipt
A.	Tax Revenue*	81,869	70
	Goods and Services Tax	26,095	22
	Taxes on Income & Expenditure	15,287	13
	Taxes on Property & Capital Transactions	5,887	5
	Taxes on Commodities & Services	34,600	30
B.	Non-Tax Revenue	3,395	3
	Interest Receipts, Dividends and Profits	24	0
	General Services	600	1
	Social Services	233	0
	Economic Services	2,538	2
C.	Grants-in-aid & Contributions	31,872	27
	Total -Revenue Receipts	1,17,136	100

Revenue Receipts

(₹ in crore)



2.2.2 Trend of Revenue Receipts

	(₹in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenue	70,445 (10.07)	78,488 (9.76)	90,818 (9.73)	85,843 (8.82)	81,869 (8.30)
Non-Tax Revenue	5,193 (0.74)	3,814 (0.47)	4,396 (0.47)	3,315 (0.34)	3,395 (0.34)
Grants-in-aid	23,346 (3.34)	22,761 (2.83)	19,457 (2.08)	21,876 (2.25)	31,872 (3.23)
Total Revenue Receipts	98,984 (14.15)	1,05,063 (13.07)	1,14,671 (12.29)	1,11,034 (11.41)	(1,17,136) (11.87)
GSDP	6,99,307	8,03,873	9,33,402	9,72,782	9,86,611

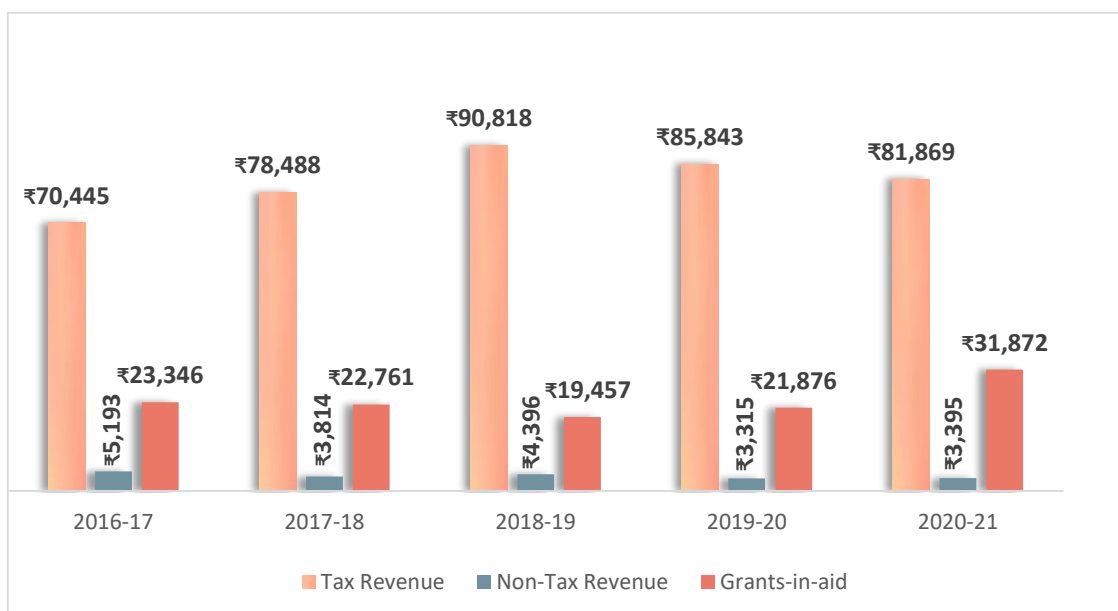
Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product).

GSDP figures in this publication are adopted as provided in the Andhra Pradesh Socio-Economic Survey.

Though the GSDP increased by 1.42 per cent in 2020-21 as compared to previous year, incline in revenue receipts was 5.49 per cent. The total tax revenue (including share of Union Taxes) decreased by 4.63 per cent, the non-tax revenue increased by 2.41 per cent and the grants-in-aid increased by 45.69 per cent as compared to previous year.

2.2.3 Trend of Components of Revenue Receipts

(₹in crore)



2.3 Tax Revenue

2.3.1 Components of Tax Revenue

(₹in crore)

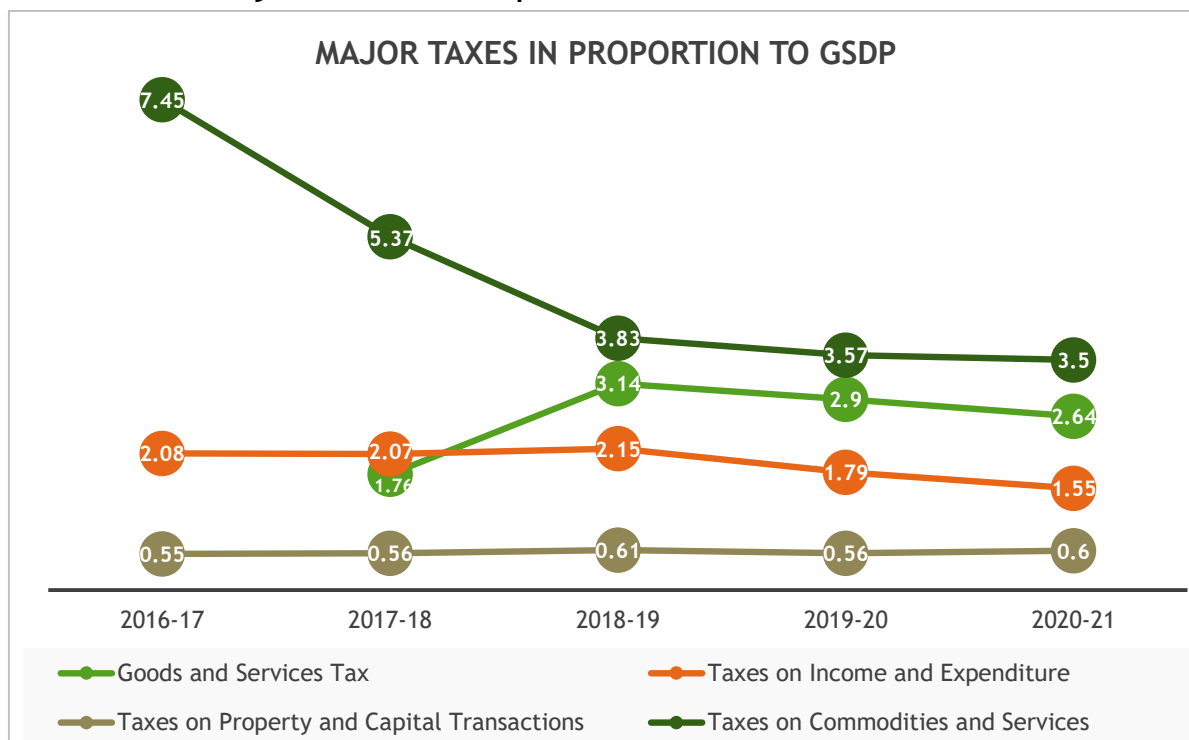
Sector	2016-17	2017-18	2018-19	2019-20	2020-21
a. Goods and Services Tax	NA*	14,157 (1.76)	29,349 (3.14)	28,241 (2.90)	26,095 (2.64)
b. Taxes on Income and Expenditure	14,515 (2.08)	16,623 (2.07)	20,110 (2.15)	17,421 (1.79)	15,287 (1.55)
c. Taxes on Property and Capital Transactions	3,854 (0.55)	4,510 (0.56)	5,648 (0.61)	5,472 (0.56)	5,887 (0.60)
d. Taxes on Commodities and Services	52,076 (7.45)	43,198 (5.37)	35,711 (3.83)	34,709 (3.57)	34,600 (3.5)
Total Tax Revenues	70,445 (10.07)	78,488 (9.76)	90,818 (9.73)	85,843 (8.82)	81,869 (8.30)
GSDP	6,99,307	8,03,873	9,33,402	9,72,782	9,86,611

Note: Figures in parentheses represent percentage to GSDP.

* Not Applicable.

The decrease in total tax revenue during 2020-21 was mainly attributable to lower collection under State Goods and Services Tax (₹18,871 crore), Corporation Tax (₹7,413 crore), Taxes on Income other than Corporation Tax (₹7,604 crore), Stamps and Registration Fees (₹5,603 crore), Taxes on Vehicles (₹2,966 crore).

2.3.2 Trend of Major Taxes in Proportion to GSDP



2.4 State's own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.

(₹ in crore)

Year	Tax Revenue (₹ in crore)	State's share of Union Tax (₹ in crore)	State's Own Tax Revenue	
			Tax Revenue (₹ in crore)	Percentage to GSDP
2016-17	70,445	26,264	44,181	4
2017-18	78,488	29,001	49,487	5
2018-19	90,818	32,787	58,031	6
2019-20	85,843	28,242	57,601	6
2020-21	81,869	24,461	57,408	6

Following table depicts the trend of Tax Revenue received from the two sources:

(₹ in crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
State's own Tax collection	44,181	49,487	58,031	57,601	57,408
Devolution of Union Taxes	26,264	29,001	32,787	28,242	24,461
Total Tax Revenue	70,445	78,488	90,818	85,843	81,869
Percentage of State's own tax to total tax revenue	63	63	64	67	70

2.4.1 Trend of State's own Tax collection over the past five years

(₹ in crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
State Goods and Services Tax	NA*	10,820	20,611	20,227	18,871
Taxes on Sales, Trade etc.	32,484	25,335	21,914	21,410	17,800
State Excise	4,645	5,460	6,220	6,915	11,575
Taxes on Vehicles	2,467	3,039	3,341	3,279	2,966
Stamp and Registration fees	3,476	4,271	5,428	5,318	5,603
Taxes and Duties on electricity	333	16	11	11	13
Land Revenue	167	107	57	21	143
Taxes on Goods and Passengers	12	5	26	36	25
Other Taxes	597	434	423	384	412
Total State's own Taxes	44,181	49,487	58,301	57,601	57,408

2.4.2 Cost of Tax Collection

(₹ in crore)

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
1. Taxes on Sales, Trade etc.					
Revenue collection	32,484	25,335	21,914	21,410	17,800
Expenditure on collection	278	328	321	329	326
Cost of tax collection (%)	0.86	1.29	1.46	1.54	1.83
2. State Excise					
Revenue collection	4,645	5,460	6,220	6,915	11,575
Expenditure on collection	308	324	340	443	323
Cost of tax collection (%)	6.63	5.93	5.47	6.41	2.80
3. Taxes on Vehicles, Goods and Passengers					
Revenue collection	2,479	3,044	3,367	3,315	2,991
Expenditure on collection	118	151	107	142	142
Cost of tax collection (%)	5	5	3	4.28	4.75
4. Stamp and Registration Fee					
Revenue collection	3,476	4,271	5,428	5,318	5,603
Expenditure on collection	138	149	152	138	144
Cost of tax collection (%)	4	3	3	2.59	2.57

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

(₹ in crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Services Tax (CGST)	NA*	409	8,092	8,014	7,224
Integrated Goods and Services Tax (IGST)	NA*	2,927	646	---	---
Corporation Tax	8,414	8,880	11,401	9,630	7,413
Taxes on Income other than Corporation Tax	5,848	7,498	8,397	7,545	7,604
Taxes on Wealth	19	(-)0.27	4	0.42	---
Customs	3,619	2,926	2,324	1,790	1,270
Union Excise Duties	4,133	3,059	1,544	1,245	818
Service Tax	4,231	2,975	303	Nil	113
Other Taxes and Duties on Commodities and Services	Nil	382	76	18	20
Total State's share of Union Taxes	26,264	29,001	32,787	28,242	24,462

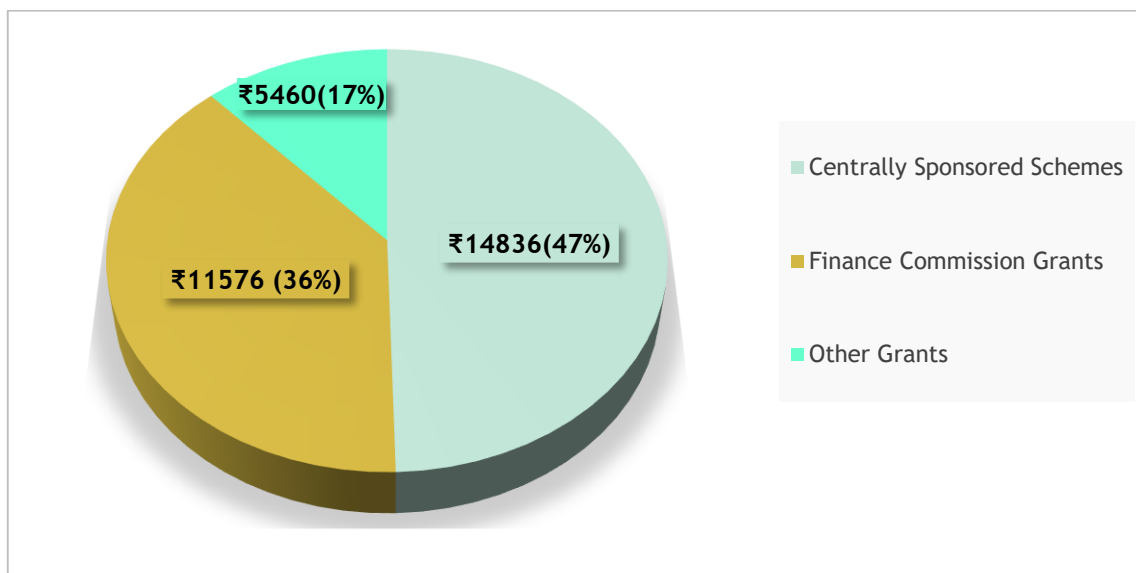
*Not Applicable

2.5 Grants-in-Aid

Grants-in-aid represent assistance from the Government of India, grants given for State Schemes, Central Schemes and Centrally Sponsored Schemes and State Grants recommended by the Finance Commission.

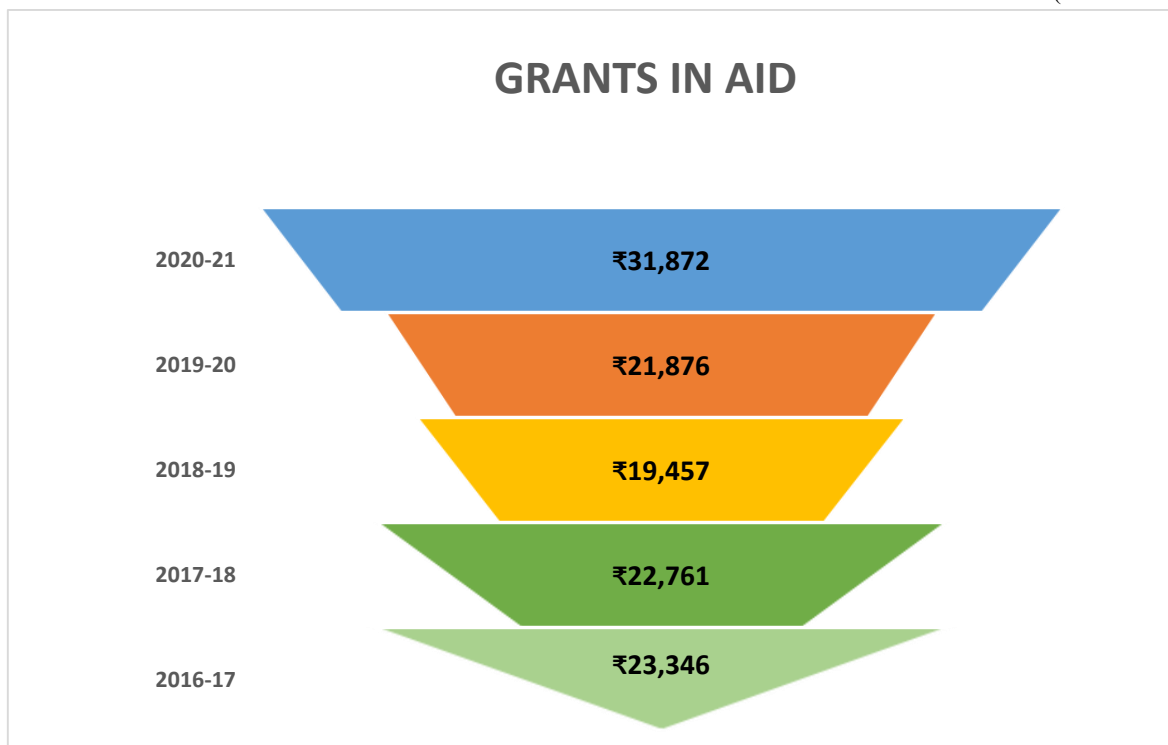
Total receipts during 2020-21 under Grants-in-aid were ₹31,872 crore as shown below:

(₹ in crore)



2.5.1 Trend of Grants in Aid

(₹ in crore)



2.6 Public Debt

Public debt constitutes the liabilities of the Government contracted against the Consolidated Fund of State. It is further classified into Internal debt & Central loans. Internal Debt consists of fixed tenure and fixed coupon borrowings (dated securities and treasury bills) which are issued through auction. Central loans are loans given by Government of India to the State Government.

(₹in crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Internal Debt	25,078	19,031	23,461	32,342	40,472
Central Loans	67	(-)49	1,245	720	3,232
Total Public Debt	25,145	18,982	24,706	33,062	43,701

2.6.1 Internal Debt:

In 2020-21, 53 open market borrowings at par totaling ₹50,896 crore(+ ₹6,412 crore through inter-government adjustments toward excess debit) at interest rates varying from 5.44 per cent to 7.98 per cent and redeemable in the years between 2024 and 2041 were raised from the open market and repaid ₹10,398 crore(+ ₹6,412 crore, excess debit towards composite state borrowings). In addition, the State Government availed ₹1,04,539 crore by Ways & Means Advances from RBI and repaid ₹1,04,539 crore. An amount of ₹1,977 crore was raised from financial institutions and ₹815 crore was repaid. Thus, the net total Internal Debt was ₹40,472 crore.

2.6.2 Government of India Loans:

The State Government received ₹4,563 crore from Government of India as Loans and Advances and repayments were ₹1,331 crore in 2020-21.

2.6.3 Borrowed Funds viz-a-viz Capital Expenditure

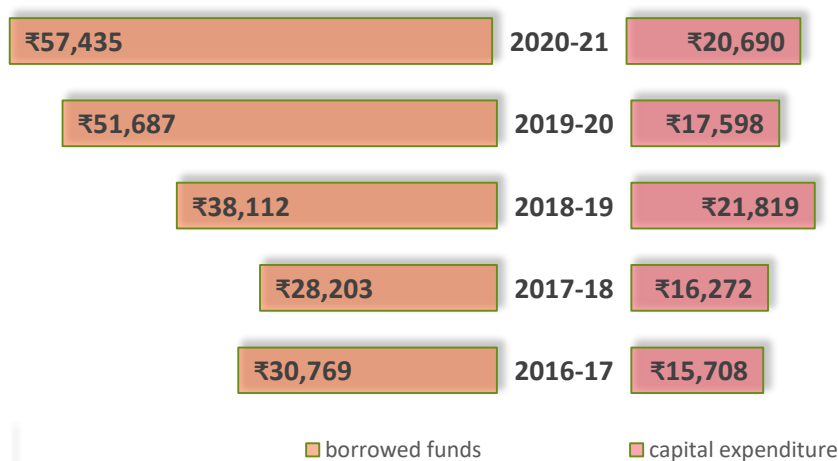
The extent to which the Fiscal Deficit, as presented by borrowed funds, has been channelised towards the creation of capital assets is an indicator of prudent financial management. Out of the borrowings of ₹57,436⁶ crore, an amount of ₹20,690 crore was utilised to meet Capital Expenditure (including ₹1,715 crore disbursed as Loans & Advances).

Normally, Public Debt is discharged through the use of Revenue Surplus. In the year 2020-21, even though the State Government had Revenue Deficit of ₹35,540 crore, the Government discharged a public debt of ₹13,735 crore.

⁶ Difference of total Public Debt Receipts(₹1,61,975crore) and total Ways & Means Advances Receipts(₹1,04,539 crore)

(₹ in crore)

Borrowed funds spent on capital expenditure



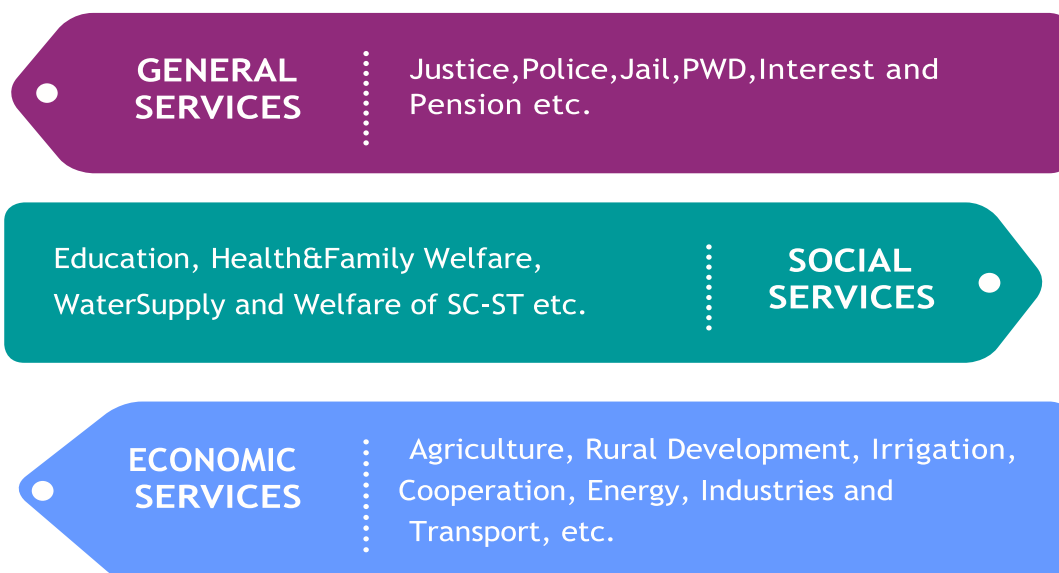
CHAPTER 3

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).

In Government accounts, the expenditure is classified under three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:



3.2 Revenue Expenditure

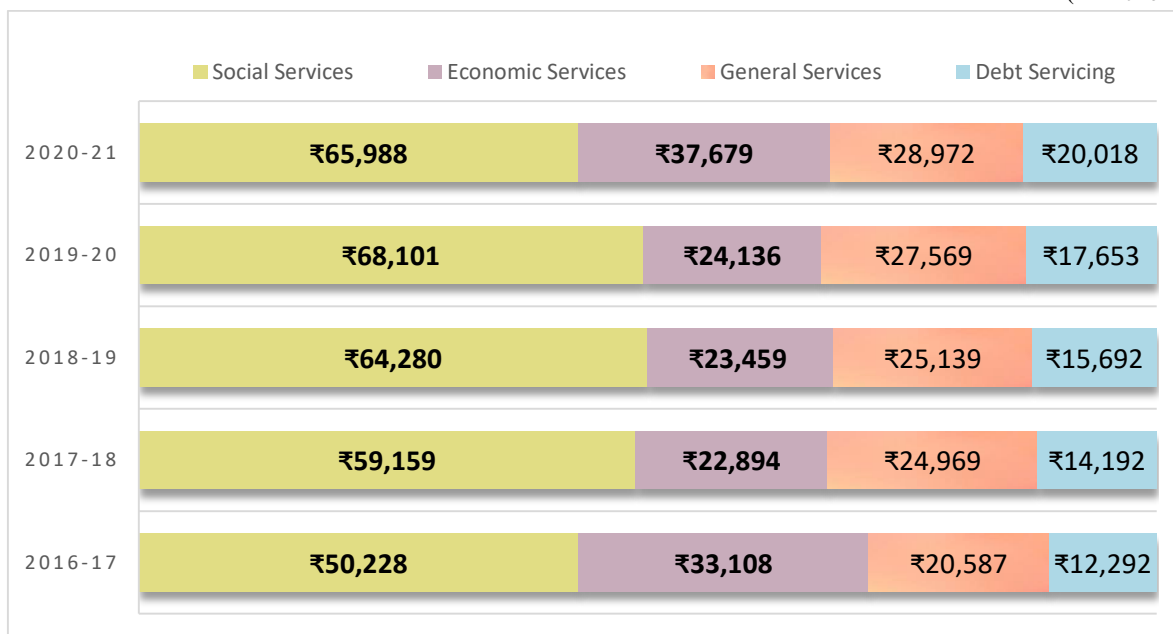
3.2.1 Sectorial Distribution of Revenue Expenditure

(₹ in crore)

Component	2019-20	2020-21	Percentage increase/ decrease over previous year
A. Fiscal Services	1,134	1,016	(-)10.40
(i) Collection of Taxes on Property and Capital transactions	211	217	2.84
(ii) Collection of Taxes on Commodities and Services	923	799	(-)13.43
(iii) Other Fiscal Services
B. Organs of State	1,160	1,010	(-)12.93
C. Interest Payments and Servicing of Debt	17,653	20,018	13.39
D. Administrative Services	7,889	9,444	19.71
E. Pensions and Miscellaneous General Services	17,386	17,502	0.66
F. Social Services	68,101	65,988	(-)3.10
G. Economic Services	24,136	37,679	56.11
H. Grants-in-aid and Contributions	16	20	25
Total Expenditure (Revenue Account)	1,37,475	1,52,677	11.05

3.2.2 Trend of Major components of Revenue Expenditure (2016 - 2021)

(₹ in crore)



3.2.3 Shortfall of Revenue Expenditure

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

(₹ in crore)

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Budget Estimates	1,14,168	1,25,912	1,50,272	1,80,476	1,80,393
Actuals	1,16,215	1,21,214	1,28,570	1,37,475	1,52,677
Gap	2,047	(-)4,698	(-)21,702	(-)43,001	(-)27,716
Percentage of variation of Actuals against BE	2	(-)3.73	(-)14.44	(-)23.83	(-)15.36

In 2020-21 the State Government did not incur the planned revenue expenditure / budgeted revenue expenditure leading to shortfall of 15.36% of budget estimates.

3.2.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pensions is treated as Committed Expenditure. Around 50.75 per cent of the revenue expenditure was incurred on committed expenses such as Salaries⁷ (₹39,993 crore), Interest Payments (₹20,018 crore) and Pensions (₹17,470 crore) which is the committed liability of the state government.

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

(₹ in crore)

Component	2016-17	2017-18	2018-19	2019-20	2020-21
Total revenue expenditure	1,16,215	1,21,214	1,28,570	1,37,475	1,52,677
Committed revenue expenditure #	55,170	62,364	65,226	71,218	77,481
Percentage of committed revenue expenditure to total revenue expenditure	47	51	51	52	51

Committed revenue expenditure includes expenditure on Salaries, Interest Payments and Pensions.

⁷Includes detailed heads 010-Salaries (₹36,874 crore), 020-Wages (₹51 crore), 030-Overtime allowance (₹0.05 crore), 270/273, Work charged establishment (₹140 crore) & 310/311-Grants-in-aid towards salaries (₹3,067 crore).

*Includes Salaries of ₹590 crore booked under Capital.

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

(₹ in crore)

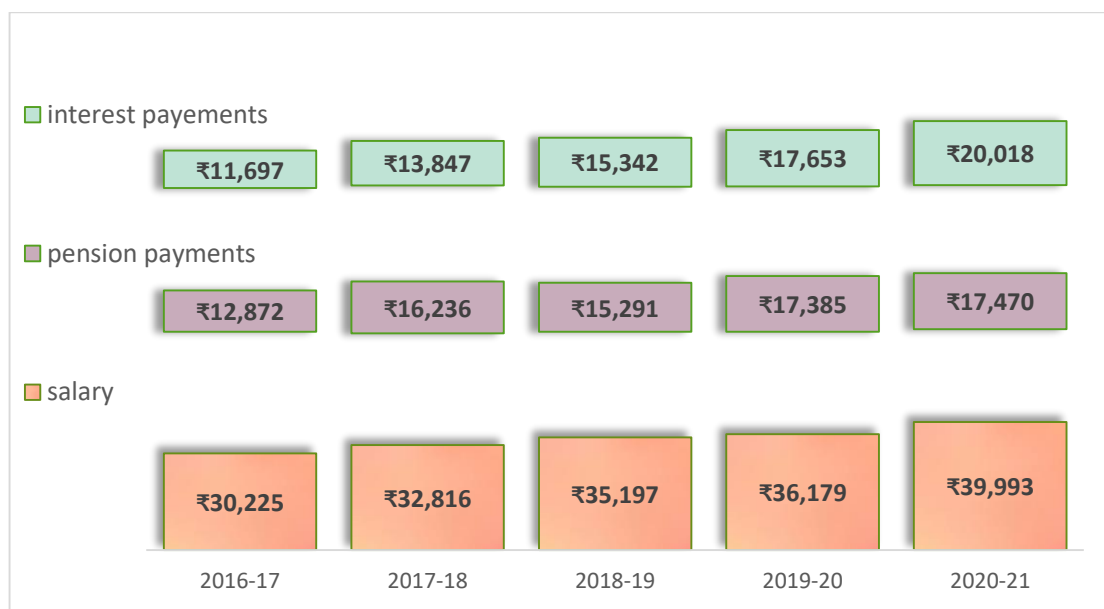
Component	2016-17	2017-18	2018-19	2019-20	2020-21
Committed Expenditure	54,794	62,899	65,830	71,811*	78,071*
Revenue Expenditure	1,16,215	1,21,214	1,28,570	1,37,475	1,52,677
Revenue Receipts	98,984	1,05,063	1,14,671	1,11,034	1,17,136
Percentage of committed expenditure to Revenue Receipts	55	60	57	65	67
Percentage of committed expenditure to Revenue Expenditure	47	52	51	52	51

The committed expenditure increased by 42 per cent from 2016-17 to 2020-21 while revenue expenditure registered a growth of 31 per cent during the same period, leaving the Government with lesser resources for development spending.

3.2.5 Trend of Committed Expenditure

Interest payments increased by 13 per cent in 2020-21 over the previous year. Pension payment increased by 0.48 per cent and Salary payment increased by 13 per cent in 2020-21 over the previous year.

(₹ in crore)



Note: Salary component includes detailed heads 010-Salaries, 020- Wages, 030- Overtime Allowance, 270/273- Work charged establishment & 310/311- Grants-in-Aid towards salaries.

3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2020-21 amounting to ₹18,975 crore (1.92 per cent of GSDP) fell short of the Budget Estimates by ₹10,933 crore.

3.3.1 Distribution of Capital Expenditure

During 2020-21, Government spent ₹3,969 crore on various irrigation projects (₹3,587 crore on Major Irrigation, ₹71 crore on Medium Irrigation, and ₹311 crore on Minor Irrigation) and ₹2 crore on Ports and Light Houses. Apart from the above, the Government spent ₹591 crore on construction of Buildings, ₹738 crore on construction of Roads and Bridges, ₹509 crore on Rural Water Supply Schemes, ₹76.4 crore on investment in various Corporations/Companies/Societies and ₹13,133 crore on other Capital Expenditure.

3.3.2 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

(₹ in crore)

Sector		2016-17	2017-18	2018-19	2019-20	2020-21
General Services	Capital	295	283	275	3,752	6,498
	Revenue	32,786	24,969	40,790	45,222	48,990
Social Services	Capital	2,431	2,890	2,866	2,056	5,206
	Revenue	50,228	59,159	64,382	68,101	65,988
Economic Services	Capital	12,418	10,317	16,835	6,434	7,271
	Revenue	33,108	22,894	23,459	24,136	37,679

Note: i) Capital Expenditure does not include expenditure on loans and advances (₹1,715 crore).

ii) Revenue Expenditure does not include expenditure on Grants-in-aid (₹20 crore).

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

(₹ in crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Budget (B.E.)	15,388	21,959	28,678	32,293	29,908
Actual Expenditure (#)	15,144	13,491	19,976	12,242	18,975
Percentage of Actual Expenditure to B. E	98	61	70	38	63
Yearly growth in Capital Expenditure	7	(-)11	48	(-)39	55
GSDP	6,99,307	8,03,873	9,33,402	9,72,782	9,86,611
Yearly growth in GSDP	16	15	16	4	1

(#) Does not include expenditure on Loans and Advances

CHAPTER 4

APPROPRIATION ACCOUNTS

4.1 Summary of Appropriation Accounts

(₹in crore)

Nature of Expenditure	Original Grant	Supplementary Grant	Total Budget	Actual expenditure	Savings (-) Excesses (+)	Surrender (by way of re-appropriation)
Revenue						
Voted	1,64,693	17,468	1,82,161	1,44,691	(-)37,471	(-)24,500
Charged	19,644	25	19,669	20,128	(+)459	(-)498
Capital						
Voted	28,752	7,141	35,893	19,451	(-)16,442	(-)16,446
Charged	48	15	64	15	(-)49	(-)42
Public Debt						
Charged	13,915	8	13,923	1,18,274	(+)1,04,352	(-)188
Loans and Advances						
Voted	1,661	2,124	3,785	1,715	(-)2,070	(-)766
Grand Total						
Grand Total	2,28,713	26,782	2,55,495	3,04,274	(+)48,788	(-)42,440

4.2 Significant Savings

Substantial savings under a Grant indicates either non-implementation / slow implementation of certain schemes / programs or inaccurate budget estimation. Some Grants with persistent and significant savings (percentage of budget) are given below:

Grant No.	Grant No. & Name	Section	Budget (₹ in crore)	Expenditure (₹ in crore)	Saving (₹ in crore)	% of Saving
III	Administration of Justice	Capital(Voted)	127.13	19.39	107.73	84.74
IX	Fiscal Administration Planning Surveys and Statistics	Capital (Voted)	1102.05	106.38	995.66	90.35
XI	Roads and Buildings	Capital (Voted)	2481.66	939.65	1542.01	62.14
XII	School Education	Revenue (Voted)	19887.16	18775.38	1111.78	5.59
XIII	Higher Education	Capital (Voted)	560.50	91.91	468.59	83.60
XIV	Technical Education,Skill development, Empolymnt and Training	Revenue (Voted)	762.10	589.75	172.35	22.61
		Capital (Voted)	166.40	37.24	128.76	77.31
XVI	Medical and Health	Revenue (Voted)	10588.05	8853.42	1734.63	16.38
		Capital (Voted)	2536.94	537.04	1999.89	78.83
XVII	Municipal Administration and Urban Development	Revenue (Voted)	8051.14	5412.63	2638.50	32.77
		Capital (Voted)	1359.02	297.31	1061.71	78.12
XVIII	Housing	Revenue (Voted)	3752.86	1141.92	2610.94	69.57
XXI	Social Welfare	Revenue (Voted)	9289.13	4188.78	5100.34	54.90
XXIII	Backward Classes Welfare	Revenue (Voted)	28894.66	15017.38	13877.28	48.04
XXIV	Minority Welfare	Revenue (Voted)	2810.58	962.68	1847.90	65.74
XXV	Women, Child and Disabled Welfare	Capital (Voted)	292.95	20.85	272.10	92.88
XXVII	Agriculture	Revenue(Voted)	13293.28	10715.75	2577.53	24.05
		Capital (Voted)	424.99	49.27	375.71	88.40
XXVIII	Animal Husbandry and Fisheries	Revenue(Voted)	1161.08	970.25	190.82	16.43
		Capital (Voted)	277.66	59.52	218.13	78.56
XXX	Co-operation	Capital (Voted)	174.74	25.48	149.25	85.41
XXXI	Panchayat Raj	Capital (Voted)	3071.57	2236.65	834.91	27.18
XXXIII	Medium and Minor Irrigation	Capital(Charged)	10443.06	3719.15	6723.91	64.38
XXXIV	Minor Irrigation	Capital (Voted)	655.33	310.98	344.35	52.54
XXXV	Energy, Infrastructure and Investment	Loan(Voted)	910.99	95.91	815.07	89.47
XXXVI	Industries and Commerce	Revenue (Voted)	2101.67	1409.07	692.59	32.95
		Loan(Voted)	1488.97	402.38	1086.59	72.97
XXXVIII	Civil Supplies Administration	Revenue (Voted)	4621.90	104.25	4517.64	97.74
XXXIX	Information Technology, Electronics and Communications	Revenue (Voted)	147.53	117.70	29.82	20.21
		Capital (Voted)	51.65	33.82	17.82	34.50

The persistent savings under Roads and Buildings, Sports and Youth Services and Industries and Commerce reflects tardy implementation of schemes envisaged in the Budget with the Legislative approval, either due to conservative approach of the Government to attain the fiscal indicator targets or due to inaccuracy in budget estimation process of the department.

There are certain Grants where there was 100 per cent savings as indicated below:

Grant No.	Grant Name	Section	Budget (₹ in crore)	Expenditure (₹ in crore)	Saving (₹ in crore)	% of Saving
V	Revenue Registration and Relief	Loans(Voted)	1000.00	...	1000.00	100%
XI	Roads and Buildings	Capital(Charged)	1.10	--	1.10	100%
XIV	Technical Education, Skill development, Empolymnt and Training	Revenue (Charged)	0.0010	--	0.0010	100%
XXIV	Minority Welfare	Capital(Voted)	0.50	--	0.50	100%
XXXII	Rural Development	Capital (Voted)	0.01	--	0.01	100%
XXXIII	Major and Medium Irrigation	Revenue (Charged)	7.97	--	7.97	100%
XXXIV	Minor Irrigation	Capital (Charged)	0.96	--	0.96	100%
XXXV	Energy, Infrastructure and Investment	Capital (Voted)	66.00	--	66.00	100%
XXXVIII	Civil Supplies Administration	Capital (Voted)	4.30	--	4.30	100%

The following Grants showed excess appropriation:

Grant No.	Grant Name	Section	Budget (₹ in crore)	Expenditure (₹ in crore)	Excess (₹ in crore)	% of Excess
III	Administration of Justice	Revenue(Charged)	38.04	57.55	19.51	51.29
V	Revenue, Registration and Relief	Revenue (Voted)	6376.87	6494.48	117.61	1.84
IX	Fiscal Administration, Planning, Surveys & Statistics:	Revenue(Voted)	21316.09	25569.80	4253.71	19.95
		Revenue(Charged)	19562.98	20019.07	456.09	2.33
		Loans (Voted)	208.48	1031.26	822.78	394.65
		Public Debt(Charged)	13922.73	118274.31	104351.58	749.50
XVII	Municipal Administration and Urban Development:	Loans(Voted)	151.30	152.72	1.42	0.93
XXXVI	Industries and Commerce	Capital (Voted)	106.51	592.92	486.41	456.68

During 2020-21, Supplementary Provisions for ₹26,782 crore (8.80 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 No.	Grant Name	Section	Original	Expenditure	Supplementary
IX	Fiscal Administration, Planning, Surveys and Statistics	Capital(Voted)	197.00	106.38	905.00
XI	Roads, Buildings and Ports	Capital(Voted)	2353.83	939.65	127.83
XII	School Education	Revenue(Voted)	19355.31	18775.38	531.85
XIII	Higher Education	Revenue(Voted)	1782.12	1678.07	504.86
XVI	Medical & Health	Revenue(Voted)	9251.59	8853.42	1336.46
XXII	Tribal Welfare	Revenue(Voted)	3084.45	2479.82	219.70
XXIII	Backward class Welfare	Revenue(Voted)	26891.18	15017.73	2003.48
XXIV	Minority Welfare	Revenue(Voted)	2055.13	962.68	755.45
XXVII	Agriculture	Revenue(Voted)	11221.45	10715.75	2071.82
XXXI	Panchayati Raj	Capital(Voted)	2625.07	2236.65	446.50
XXXV	Energy	Loans(Voted)	246.00	95.91	664.99
XXXVI	Industries & Commerce	Loans(Voted)	1213.78	402.38	275.19
XXXVIII	Civil Supplies Administration	Revenue(Voted)	35165.51	104.25	1105.35

CHAPTER 5

ASSETS AND LIABILITIES

5.1 Assets

The existing form of accounts do not 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 ₹9,530 crore at the end of 2020-2021. An amount of ₹1.63 crore (0.017 per cent of investment) was received as dividends indicating an inadequate return on investment.

Cash balance with the RBI stood at ₹485 crore on 1st April 2020 and decreased to ₹(-)69 crore at the end of 31 March 2021. Government had invested an amount of ₹11,953 crore in 14 days treasury bills in 2020-21 and rediscounted bills worth ₹16,340 crore leaving a closing cash balance investment of ₹746 crore at the end of the year.

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. Government of India, from time to time determines, the limit up to which State Governments can borrow from the market which is ₹50,896 crore for 2020-21. Against this, Government of Andhra Pradesh availed of open market borrowings totaling ₹50,896 crore during 2020-21.

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

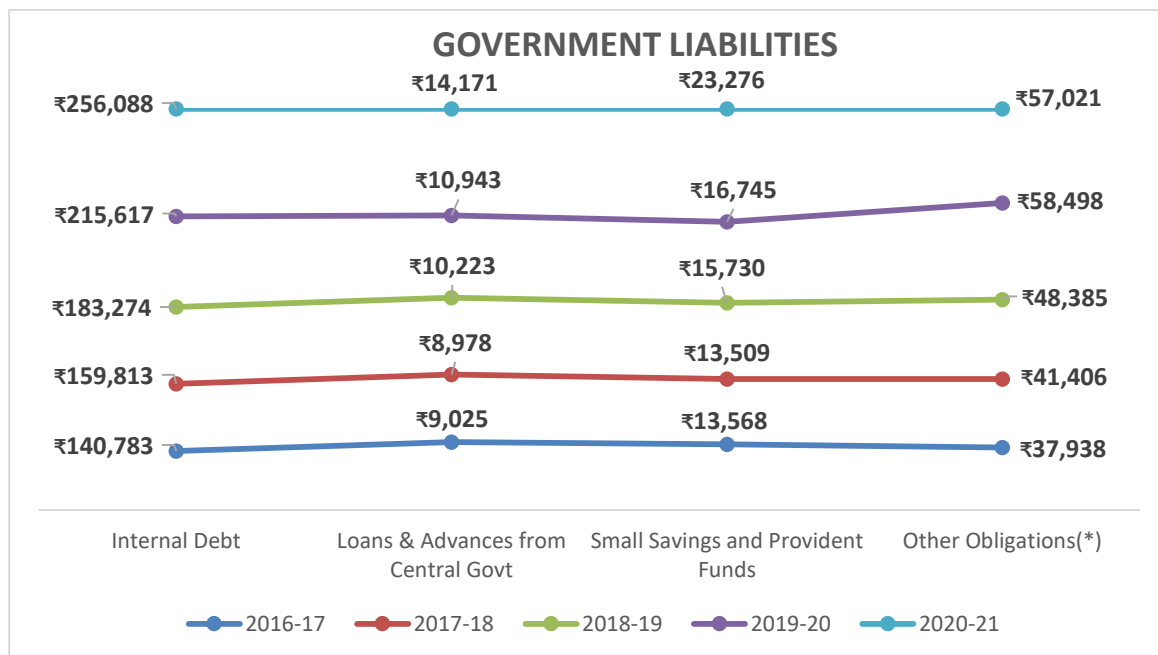
Year	Public Debt (₹ in crore)	Per cent of GSDP	Public Account* (₹ in crore)	Per cent of GSDP	Total Liabilities (₹ in crore)	Per cent of GSDP
2016-17	1,49,808	21	51,506	7	2,01,314	29
2017-18	1,68,791	21	54,915	7	2,23,706	28
2018-19	1,93,497	21	64,013	7	2,57,510	28
2019-20	2,26,559	23	75,243	8	3,01,802	31
2020-21	2,70,259	27	80,297	8	3,50,557	35

* Excludes suspense and remittance balance.

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

Public Debt and Other Liabilities showed a net increase of ₹48,754 crore (16 per cent) over the previous year due to raising of new long-term market loans.

(₹ in crore)



*Other obligations include interest & non-interest-bearing obligations such as deposits of local funds, other earmarked funds, etc.

5.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc. from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans, and interest thereon, raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., for whom the guarantee was extended and are projected outside the State Budget.

The position of guarantees by the State Government for the re-payment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc., for the last five years is given below:

(₹in crore)

year	Maximum Amount that can be Guaranteed (Principal only)	Amount outstanding as on 31 March	
		Principal	Interest
2016-17	16,576	9,665	65
2017-18	53,340	35,964	22
2018-19	56,120	49,442	22
2019-20	93,463	67,171	18
2020-21	1,19,230	91,330	23

Note: Figures are adopted from Budget vol V/2 of 2020-21 of Government of Andhra Pradesh

CHAPTER 6

OTHER ITEMS

6.1 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 2021, an adverse balance of ₹116 crore exists under MH 6003-Internal Debt. Adverse balance arises in a loan account when the amount repaid is more than the loan amount or due to misclassification. Out of this, ₹86 crore represents loans availed of by the Andhra Pradesh Road Development Corporation, ₹8 crore by Rural Electric Corporation and ₹9 crore pertains to repayments on behalf of Co-operatives and ₹11 crore from HUDCO and ₹2 crore from SBH. The PAG (A&E) has been requesting the State Government to provide adequate budget provision to clear the adverse balance under MH 6003.

6.2 Loans and Advances by the State Government

The total Loans and Advances made by the State Government at the end of 2020-2021 was ₹33,421 crore. Of this, Loans and Advances to Government Corporations / Companies, Non-Government Institutions and Local Bodies amounted to ₹33,025 crore. Recovery of principal aggregating to ₹30,657 crore and interest amounting to ₹21,639 crore is in arrears at the end of 31 March 2021. During 2020-21, only ₹1,063 crore has been received towards repayment of Loans and Advances, out of which ₹36 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.

6.3 Financial assistance to Local Bodies and others

During the current year, overall Grants-in-aid to Local Bodies and others increased from ₹59,915 crore in 2019-20 to ₹73,666 crore in 2020-2021. Grants to Zilla Parishads, Panchayat Samitis, Gram Panchayats and Municipalities (₹15,866 crore) represented 21.53 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)

Name of Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
Zilla Parishads	5,821	5,432	5,547	5,659	6,091
Municipalities	2,186	1,779	1,461	2,663	2,588
Panchayat Samitis	2,479	2,810	2,081	4,750	7,187
Others*	43,493	43,070	51,706	46,843	57,800
Total	53,979	53,091	60,795	59,915	73,666

*Other institutions include Government Companies, Universities, Statutory Corporations, Development Authorities etc.

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 01 April 2020	As on 31 March 2021	Net increase (+)/ decrease (-)
Cash Balances	485	(-)69	(-)416
Investment from cash balance (Gol Treasury Bills)	5,133	746	(-)4,387
Other Cash Balances	3	3	0
a) Departmental Balances	1	1	0
b) Permanent Cash Imprest	2	2	0
Investment from earmarked fund balances	9,073	9,811	738
(a) Sinking Fund	8,260	8,932	672
(b) Guarantee Redemption Fund	808	874	66
(c) Other Funds	5	5	0
Interest realized during the year	758	756	(-)2

State Government had a positive closing cash balance at the end of 2020-21. It invested ₹9,811 crore towards cash balances and earmarked fund (Consolidated Sinking Fund, Guarantee Redemption Fund, etc.) balances.

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 Accountant General (A&E), Andhra Pradesh. During the year, receipts amounting to ₹39,640.56 crore (33.54 *per cent* of total receipts) and expenditure amounting to ₹1,71,401.84 crore (98.87 *per cent* of total expenditure) were reconciled by the State Government. The State Government had stated that fewer reconciliation of receipts was due to non-linkage of CCO-HoA for receipt classification

6.6 Submission of Accounts by Accounts rendering Units

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.

6.7 Advance Payments

Financial rules (Rule 290 of Central Treasury Rules) envisage that no moneys should be drawn from government treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills by debiting Service Heads. In terms of the Article 99 of the Andhra Pradesh Financial Code Vol. I, DDOs are required to present

Detailed Countersigned Contingent (DCC) bills containing vouchers in support of final expenditure within one month from the date of completion of the purpose for which the advance was drawn, and in no case, beyond the period of three months from the date of drawal of such advance, unless otherwise permitted by the Administrative Department with the concurrence of the Finance Department. Delayed submission or prolonged non-submission of supporting DCC bills renders expenditure through AC Bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final.

Out of 1102 AC bills amounting to ₹610.36 crore drawn during the year 2020-21, 325 AC bills amounting to ₹51.10 crore (8.43 per cent) were drawn in March 2021. DCC Bills in respect of a total of 1690 AC bills amounting to ₹1,438.57 crore as on 30 June 2021 were not received. Details of unadjusted AC bills as on 31 March 2021 pending submission of DCC bills are given below:

Year	No. of unadjusted AC bills	Amount (₹in crore)
Up to 2018-19	722	822.73
2019-20	389	150.10
2020-21	579	465.74
TOTAL	1,690	1,438.57

6.8 Status of Suspense and Remittances Balance

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out aggregating the outstanding debit and credit balances separately under various heads. Significant suspense items shown as gross debit and credit balances under Major Head-8658-Suspense Account and 8782-Remittances for the last three years, are as under:

(₹ in crore)

Minor Head	2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
(a) 8658-Suspense Accounts						
101-Pay and Accounts Office Suspense	78.37	19.25	69.81	17.31	103.19	23.86
Net	59.12(DR)		52.50(DR)		79.33(DR)	
102-Suspense Account (Civil)	380.87	282.25	473.19	317.42	436.72	1862.95
Net	98.62(DR)		155.77(DR)		1426.23(CR)	
110-Reserve Bank Suspense-Central Accounts Office	252.37	82.73	356.77	82.73	148.55	71.19
Net	169.64(DR)		274.04(DR)		77.36(DR)	

(b) 8782- Remittance Accounts						
102-Public Works Remittances	76,007.41	75,328.38	76,007.41	75,318.64	76,007.41	75,318.64
Net	679.06(DR)		688.77(DR)		689.30(DR)	
103-Forest Remittances	76,007.41	75,328.35	439.12	617.44	439.16	617.43
Net	178.59(CR)		178.32(CR)		178.27(CR)	

6.9 Commitments on account of Incomplete Capital Works

A total expenditure of ₹46,154 crore was incurred upto the year 2020-21 by the State Government on various incomplete projects against an estimated cost of ₹18,304 crore. The estimated cost was further revised to ₹16,129 crore to end of 2020-21.

During 2020-21, a total expenditure of ₹1,679 crore incurred by the State Government on various projects taken up by Engineering Departments. An amount of ₹871 crore was due to be paid to the end of 31-03-2021. The original estimated cost (₹18,304 crore) increased by 12 per cent in revised estimates on various projects.

A summarized view on commitments on account of “Incomplete Capital Works” is furnished below:

(₹in crore)

S. No.	Category of works	Estimated cost of works	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision
1	Roads	9814	1008	1237	614.66	7,524
2	Bridges	111	10	16	5.15	114
3	Buildings	113	0.21	27	0.14	113
4	Others	8,266	661.24	3350	251.26	8,377
	TOTAL	18,304	1,679	4,630	871	16,129

6.10 Liabilities towards New Pension System:

6.10.1 Liabilities towards Pensionary Benefits:

The expenditure on “Pension and other Retirement Benefits” for State Government employees recruited on or before 01 September 2004 was ₹16,610.23 crore during the year.

6.10.2 National Pension System

The State Government employees recruited on or after 01 September 2004 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 per cent of his/her basic pay and dearness allowance, and 10 per cent of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL).

During the year 2020-21, total contribution to Defined Contribution Pension Scheme was ₹1,663.06 crore (Employees contribution ₹798.73 crore and Government contribution ₹864.33 crore). The Government transferred its contribution ₹864.33 crore which includes ₹4.33 crore challan remittance by employers of Andhra Pradesh Aided Educational Institutions to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme. The Government contribution to NPS was more by ₹65.60 crore (₹864.33 crore - ₹798.73 crore) equal to the shortfall of the previous years.

There was an un-transferred balance of ₹1,086.93 crore (which includes ₹365.43 crore being the un-apportioned balance of the erstwhile state of Andhra Pradesh) in the Fund required to be transferred to NSDL. During the year 2020-21, an amount of ₹1,961.65 crore was transferred to NSDL leaving a balance of ₹788.34 crore (which includes ₹365.43 crore being the un-apportioned balance of the erstwhile state of Andhra Pradesh) in the Fund yet to be transferred to NSDL. Uncollected, unmatched and un-transferred amounts, without accrued interest, represent outstanding liabilities of the Government under the Scheme.

As detailed in Para 2 above on adjustment transactions through “Special bills”, there were transactions through 1,051 “Special Bills” whereby NPS challans of ₹1.54 crore were transferred to the respective Fund manager. These were not transacted through Treasury.

6.11 Personal Deposit (PD) Accounts

Transfer of funds to Personal Deposit (PD) Accounts: PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme, by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443-Civil Deposits and the Minor Head 106-Personal Deposits. The Government of Andhra Pradesh issued G.O.Ms.No.99 dated 14.08.2019 wherein PD Accountability Framework was introduced to provide comprehensive guidelines on Personal Deposit Account Management. In terms of the said GO, Personal Deposits are virtual bank accounts that were conceptualized by the Government to facilitate smooth operations at the field level for scheme implementation. Unspent balances, if any, at the end of the financial year should be lapsed by minus debiting the relevant service heads and thereby reducing the deposit /credit received.

During 2020-21 an amount of ₹72,744.65 crore was transferred from the Consolidated Fund of the State to these PD Accounts and an amount of ₹23,929.58 crore was credited through challans. This includes ₹4,239.40 crore transferred in March 2021 from the Consolidated Fund of the State. This is 5.83 *per cent* of the total credit to PD account from Consolidated Fund during the year. ₹37.31 crore was transferred on the last working day of March 2021.

Consequent upon issue of G.O.Ms No.99, dt.14/08/2019, wherein the State Government sought to rationalize the system of Personal Deposit Accounts, the balances under several Deposit Accounts underwent change due to transfer of balances amounting to ₹37,763.08 crore among different deposit heads. This includes net receipt of ₹20,876.00 crore, resulting in substantial increase in balance at the end of the year under MH-8443-106, which is the only deposit account now treated as P.D. Account. As these changes in 2019-20 were not made by the State Government through the monthly account, it resulted in huge differences under different heads of account between the figures furnished by DTA/Government and AG records. These changes were made in AG records during 2020-21 and are depicted in Statement No.21.

Status of PD Accounts during the period 01 April 2020 to 31 March 2021 as maintained by the Accountant General is detailed below:

(₹ in crore)

Opening balance as on 01 April 2020		Additions during 2020-21		Expenditure during 2020-21		CB as on 31 March 2021	
Number of Head of Accounts	Amount	Number of Head of Accounts opened	Deposits made in the head of accounts	Number of Head of Accounts closed	Amount	Number of head of Accounts	Amount
319	7,277.12	Nil	1,16,822.68	Nil	98,303.04	319	25,796.76

The State Government maintains administrator-wise details of PD Accounts. Each head of account comprise several administrators of PD account As per records provided by the State Government, there are 1491 administrators with balances amounting to ₹25,476.79 crore at the beginning of the year 2020-21. An amount of ₹96,924.28 was transferred to PD Accounts during the year. There were 2827 administrators with an amount of ₹23,102.46 crore as on 31 March, 2021.

In terms of Note 4 below instruction 22 under TR 16 of the Andhra Pradesh Treasury Rules, the Administrator of Personal Deposit Account shall reconcile the balances with the Bank every month and with the Treasury at the end of every quarter immediately within 15 days thereafter and record certificate to that effect in the Treasury Pass Book. Post implementation of CFMS, PD Administrators were migrated into CFMS. Reconciliation was not carried out between the Treasury and the PD administrator. Consequently, no reconciliation was done by the DTA / Treasury with the Accountant General on the PD Accounts.

As detailed in Para 2 above on adjustment transactions through “Special bills”, there

were transactions through 18 “Special Bills” for funds transferred to Personal Deposit Accounts (₹21,791.34 crore) (i) from one Corporation to another (₹10,895.67 crore) and (ii) Funds transferred to PD accounts and left unutilized lapsed (₹10,895.67 crore) which were not transacted through Treasury.

6.12 Investments

Information on Government investments appearing in Statements 8 and 19 of the Finance Accounts is based on the accounts and sanctions received by the Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The investments of ₹8,401.21 crore to end of 01 June 2014 in Composite Andhra Pradesh have not been apportioned between the two successor states of Andhra Pradesh and Telangana. The Government invested ₹33.03 crore in 2020-21. Government investment of ₹1,132.43 crore as on 31 March 2021 yielded dividend of ₹0.01 crore during 2020-21. Details of Government investment as on 31 March 2021 are given as follows: -

Sl.No	Name of Concern	Number of Concern	Investment at the end of the year 2020-21 (pre bifurcation figures)	Investment w.e.f 2 June, 2014 to the end of the year 2020-21
1.	Statutory Corporations	3	205.07	2.50
2.	Rural Banks	1	26.96	...
3.	Government Companies	61	6,557.69	241.13
4.	Other Joint Stock Cos & Partnerships	28	55.64	2.13
5.	Co-op Institutions and Local Bodies	66	1,555.85	886.67
	TOTAL	159	8,401.21	1,132.43

Note: Figures in **Bold** in the second last column represent Investments made in undivided State of Andhra Pradesh up to 01 June 2014 and remained un-apportioned.

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