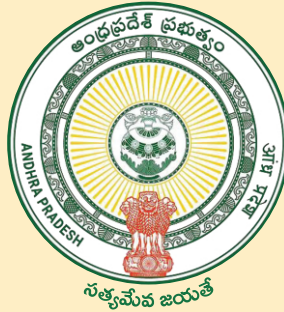


Accounts at a Glance 2021-22



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Andhra Pradesh



ACCOUNTS AT A GLANCE 2021-22

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 and 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: 14/12/2022,
Place: Vijayawada.


(Chandra Mauli Singh)
PRINCIPAL ACCOUNTANT GENERAL (A&E)
ANDHRA PRADESH

VISION

We strive to 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

intended purposes.
efficiently and for the
are being used
Public, that public funds
Executive and the

Independence
Objectivity
Integrity
Reliability
Professional
Excellence
Transparency
Positive Approach

CORE VALUES

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 Divisions 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:

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

CONSOLIDATED FUND

PART-I

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

CONTINGENCY FUND

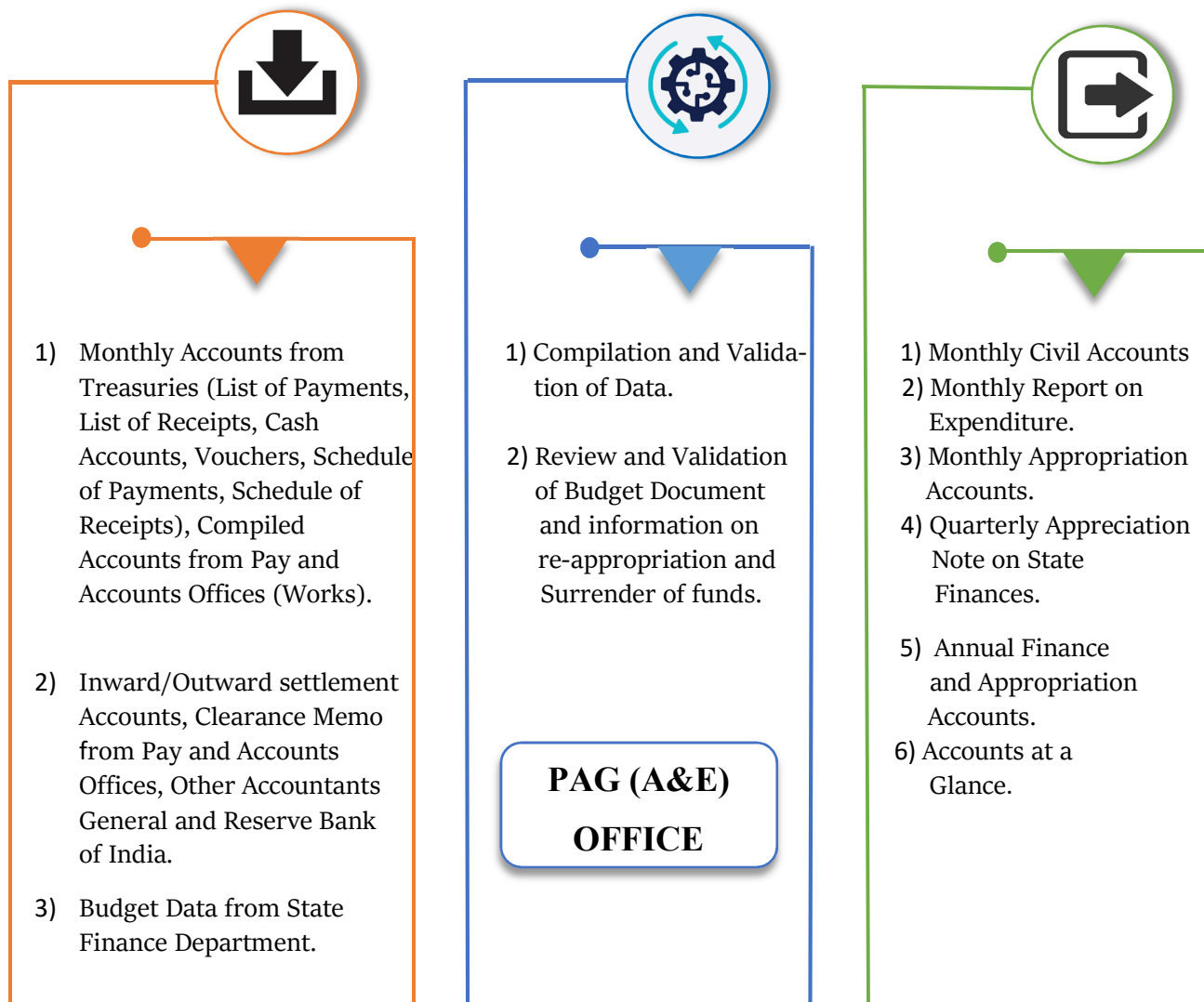
PART-II

- In Public Account, the transactions relating to Debt(Other than those included in Part-I), 'Deposits', Advances', [in respect of which government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former(Debt and Deposits) and recoveries of the latter (Advances)], 'Remittances' and 'Suspense'(consisting of mere adjusting heads under which shall appear transactions such as remittances of cash between treasuries and currency chests and transfer between different accounting circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

PUBLIC ACCOUNT

PART-III

1.2.1 Compilation of Accounts



1.3 Finance and Appropriation Accounts

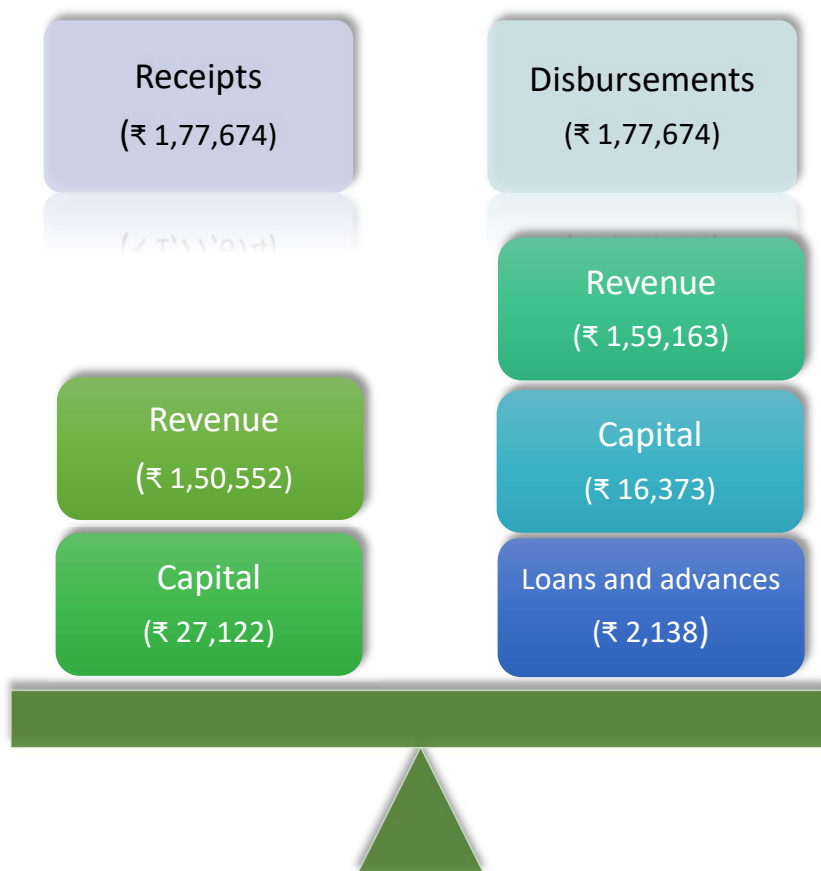
1.3.1 Finance Accounts

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 2021-22 are as below:

(₹in crore)



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 programs. Such transfers (₹ 13,612 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 2021-22

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

(₹in crore)

Sl.No	Component	Budget Estimates	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP ¹
1	Tax Revenue(including Central Share) ²	1,12,216	1,06,365	95	9
2	Non-Tax Revenue	7,050	5,017	71	0
3	Grants-in-aid & Contributions	57,931	39,170	68	3
4	Revenue Receipts(1+2+3)	1,77,197	1,50,552	85	13
5	Recovery of Loans& Advances	50	2,110	4,220	0
6	Borrowings & Other Liabilities ³	37,030	25,013	68	2
7	Capital Receipts(non-debt)	...	(-)1.18
8	Capital Receipts(5+6+7)	37,080	27,122	73	2
9	Total Receipts(4+8)	2,14,277	1,77,674	83	15
10	Revenue Expenditure	1,82,197	1,59,163	87	13
11	Expenditure on Interest Payment(Out of 10)	22,740	22,165	97	2
12	Capital Expenditure ⁴	32,079	18,511	58	2
13	Total Expenditure(10+12) ⁵	2,14,276	1,77,674	83	15
14	Revenue Surplus/Deficit (4-10)	-5,000	-8,611	172	1
15	Fiscal Deficit(4+5+7-13)	-37,029	-25,013	68	2

¹ GSDP figure of ₹.12,01,736 crore adopted as provided in the Andhra Pradesh Socio-Economic Survey.

² Includes State's share of Union Taxes of ₹ 24,934 crore

³ Borrowings and other Liabilities: Net(Receipts-Disbursements) of Public Debt(₹39,363)+ Net of Contingency fund(NIL) + Net(Receipts-Disbursements) of Public Account (₹(-)14,311 crore) + Net of Opening and Closing cash balance(₹ 38.31Cr)

⁴ Capital Expenditure includes Capital Expenditure (₹16,373 crore), Loans and Advances Disbursed(₹2,138 crore) and Inter State Settlement (₹ Nil)

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 ₹ 4,552 crore. 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 2021-22, Government of Andhra Pradesh availed ways and means advance of ₹ 1,06,326 crore on 322 days (139 days of Ordinary Ways and Means Advance, 19 days of Special Drawing Facility and 164 days of Overdraft) and the same ₹1,06,326 crore was repaid during the year leaving ‘Nil’ balance at the end of the year. Further, an amount ₹ 112 crore was paid as interest on the Ways and Means Advances during 2021-22.

1.4.2 Overdraft from the Reserve Bank of India

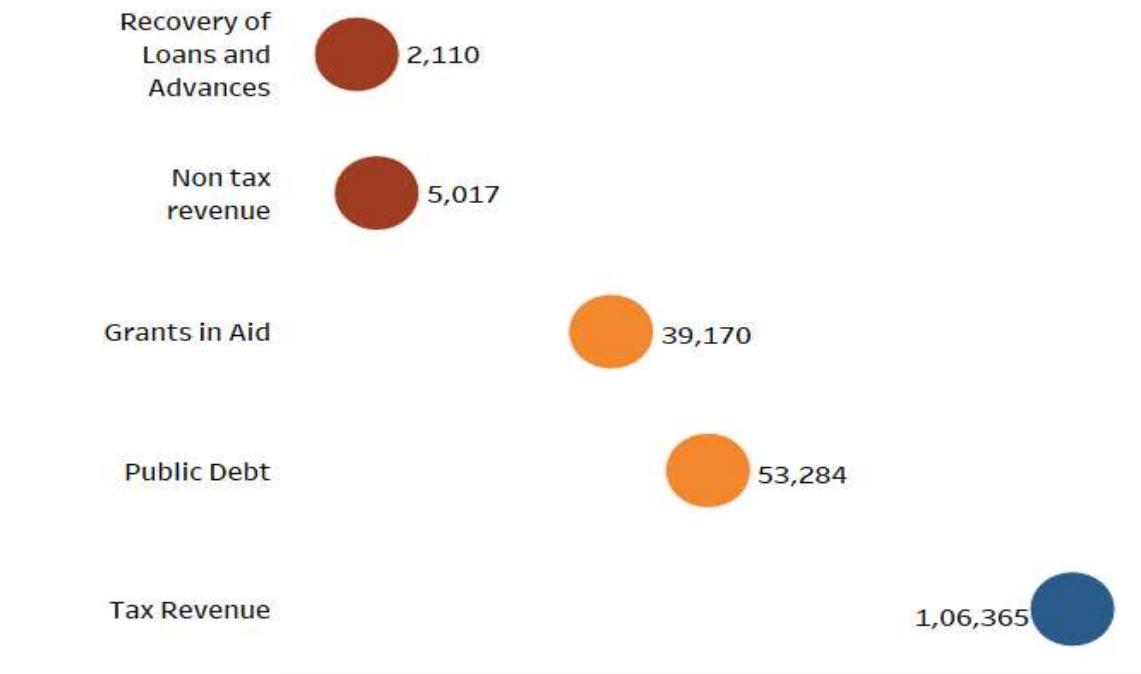
Overdraft is taken from the Reserve Bank of India when the minimum cash balance falls below ₹1.94 crore, even after taking Ways and Means Advances. During 2021-22, Government of Andhra Pradesh availed Overdraft from Reserve Bank of India for 164 days amounting to ₹ 46,855 crore.

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 ₹ 8,611 crore and Fiscal Deficit of ₹ 25,013 crore as on 31 March 2022. The Fiscal Deficit constituted 14.07 per cent of total expenditure.

Where the Money came from

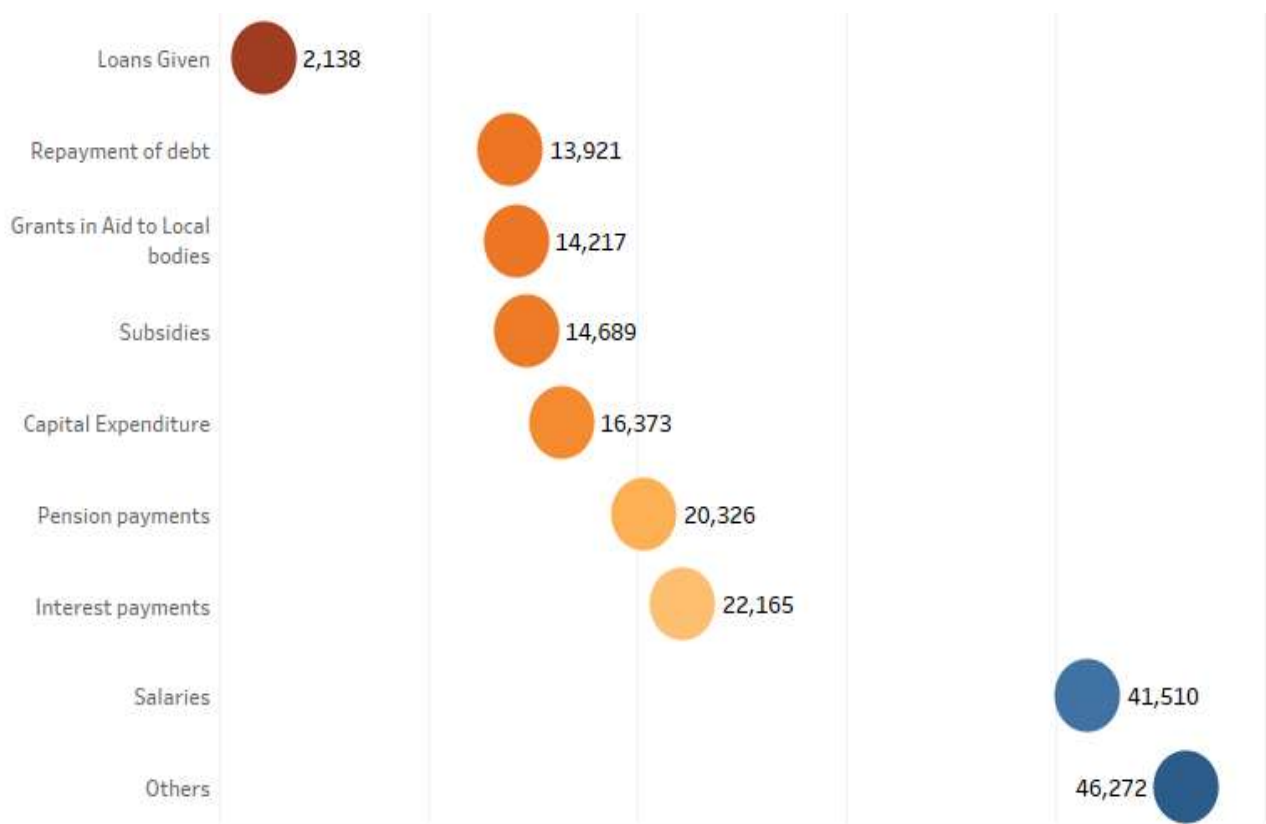
(₹in crore)



Note: The figure shown as Public Debt is Gross 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 2021-22 against fiscal targets laid down in the Act and rules framed thereunder were as follows:

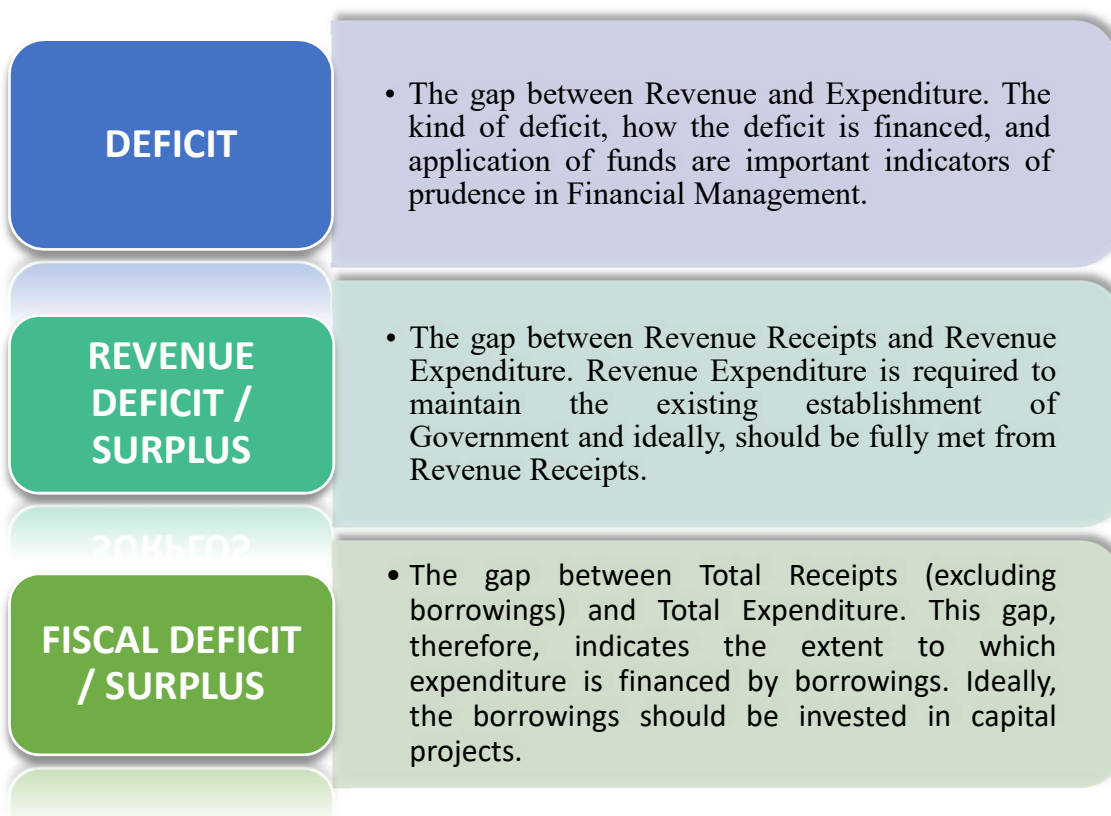
(₹in crore)

Sl.No	Parameter	Actual(₹)	Ratio to GSDP	
			Target	Achievement
1	Revenue deficit	8,611	To become Revenue surplus(3.6 or less)	0.71 rounded to 1(achieved)
2	Fiscal deficit	25,013	5.00 or less	2.08 (achieved)
3	Debt and other obligation	3,72,503*	35.60 or less	31.00(achieved)

GSDP figure of ₹ 12,01,736 crore adopted as provided in the Andhra Pradesh Socio-Economic Survey.

* Excludes an amount of ₹5,583crore towards Back to Back loans to States in lieu GST Compensation shortfall which being serviced by the GoI.

What do the Surplus and Deficit indicate?



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.

Revenue Deficit		(₹in crore)
2017-18	15.37	16,151
2018-19	12.12	13,899
2019-20	23.81	26,441
2020-21	30.34	35,540
2021-22	5.72	8,611
	% to Total Revenue Receipts	

Fiscal Deficit		(₹in crore)
2017-18	32,380	4.03
2018-19	35,467	4.11
2019-20	39,687	4.08
2020-21	55,167	5.59
2021-22	25,013	2.08
		% to GSDP

CHAPTER 2

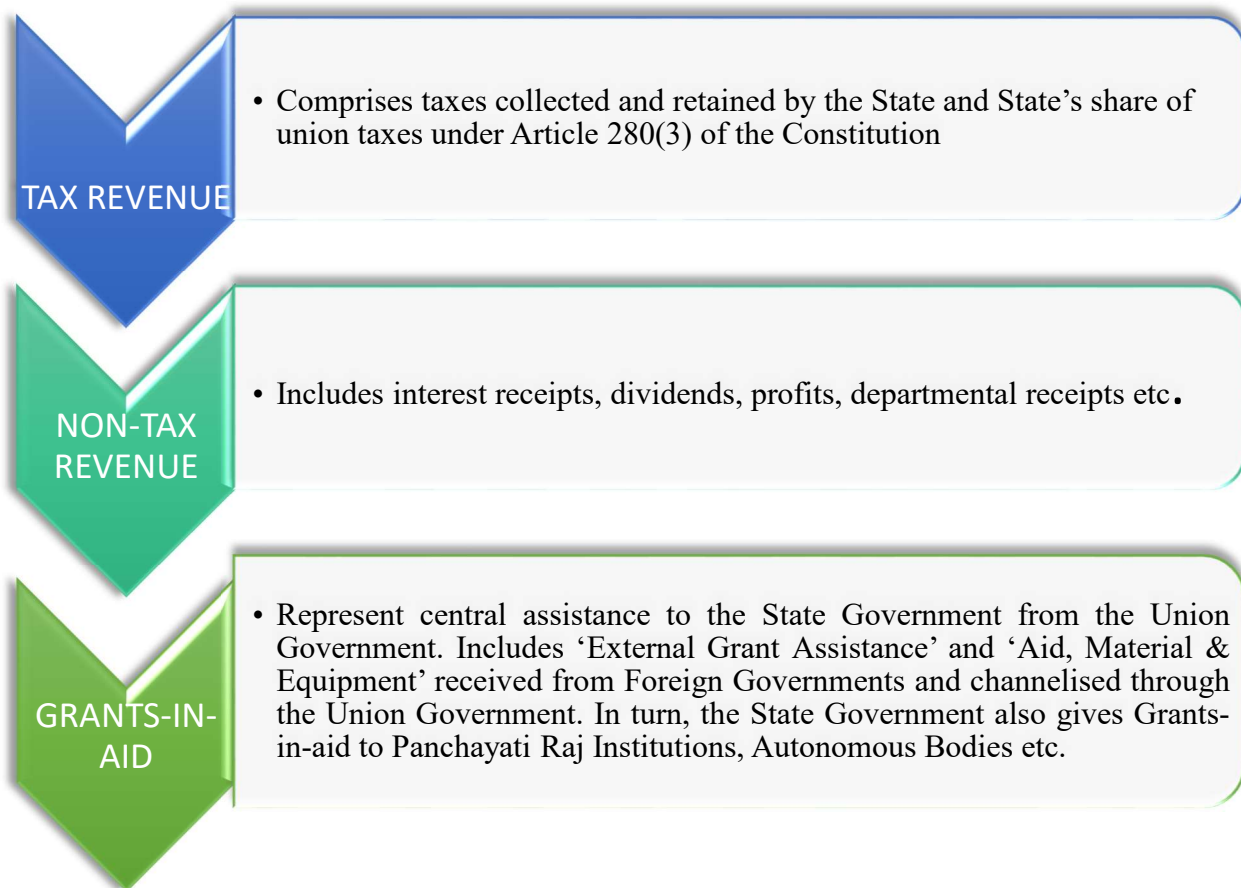
RECEIPTS

2.1 Introduction

The Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2021-22 were ₹ 1,77,674 crore against Budget estimate of ₹2,14,277 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.



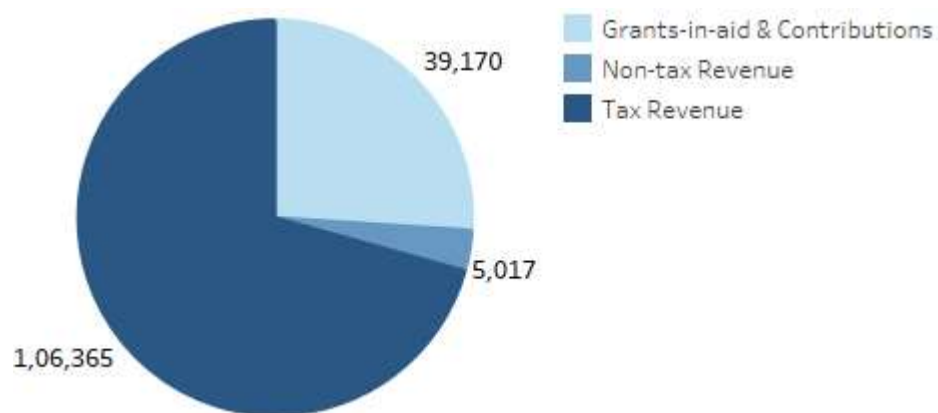
2.2.1 Components of Revenue Receipt

(₹in crore)

	Components	Actuals(₹)	As percentage of Total Revenue Receipt
A	Tax Revenue	1,06,365	71
	Goods and Services Tax	34,262	23
	Taxes on Income& Expenditure	20,375	14
	Taxes on Property & Capital Transactions	7,944	5
	Taxes on Commodities& Services	43,783	29
B	Non-Tax Revenue	5,017	3
	Interest Receipts, Dividends and Profits	26	0
	General Services	647	0
	Social Services	683	0
	Economic Services	3,662	2
C	Grants-in-aid & Contributions	39,170	26
	Total-Revenue Receipts	1,50,552	100

Revenue Receipts

(₹in crore)



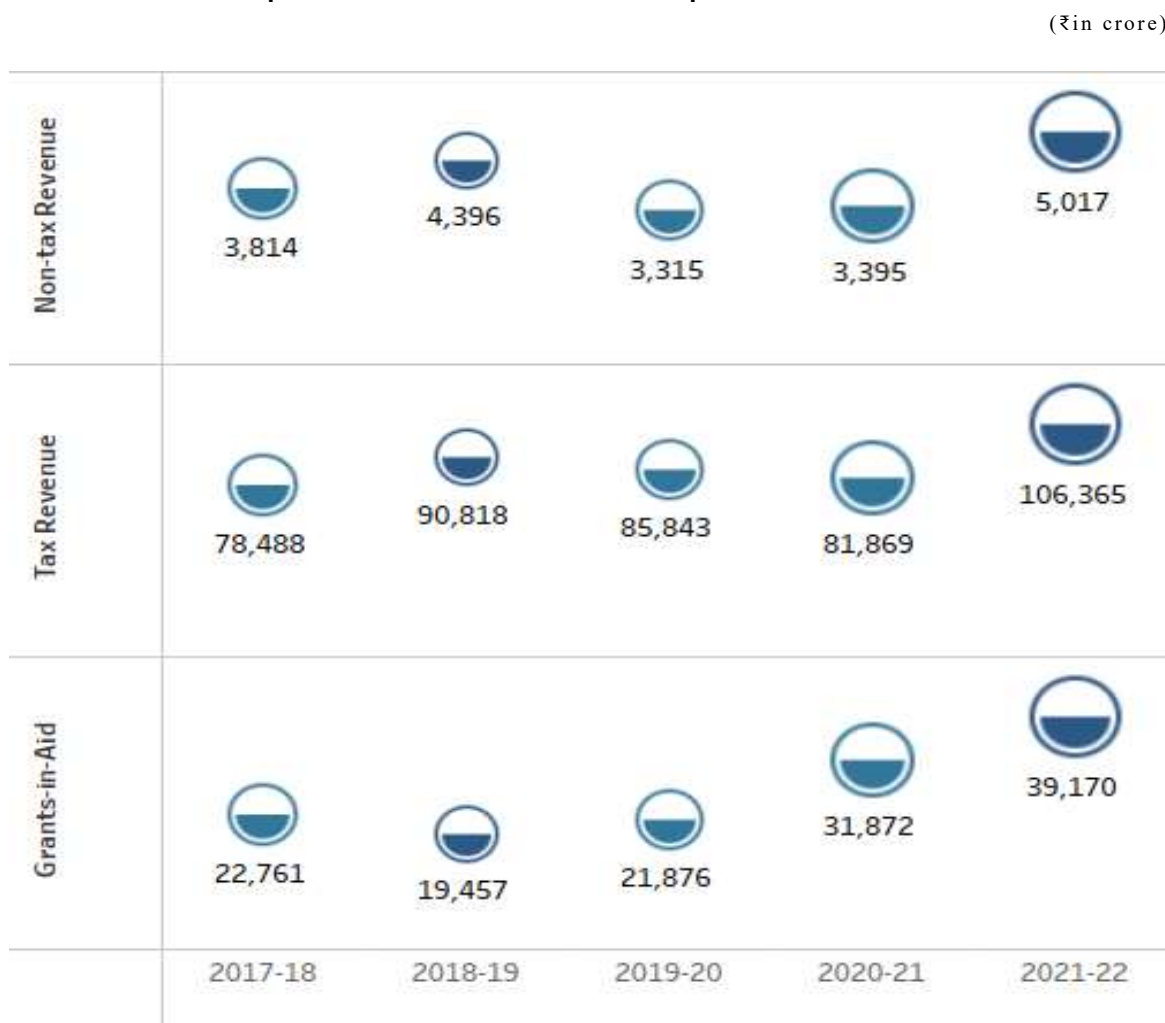
2.2.2 Trend of Revenue Receipts

(₹ in crore)

Sector	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Revenue	78,488	90,818	85,843	81,869	106,365
Non-Tax Revenue	3,814	4,396	3,315	3,395	5,017
Grants-in-aid	22,761	19,457	21,876	31,872	39,170
Total Revenue Receipts	1,05,063	1,14,671	1,11,034	1,17,136	1,50,552

The GSDP increased by 21.80 per cent in 2021-22 as compared to previous year, increase in revenue receipts was 28.52 per cent. The total tax revenue (including share of Union Taxes) increased by 29.92 per cent, the non-tax revenue increased by 47.77 per cent and the grants-in-aid increased by 22.89 per cent as compared to previous year.

2.2.3 Trend of Components of Revenue Receipts



2.3 Tax Revenue

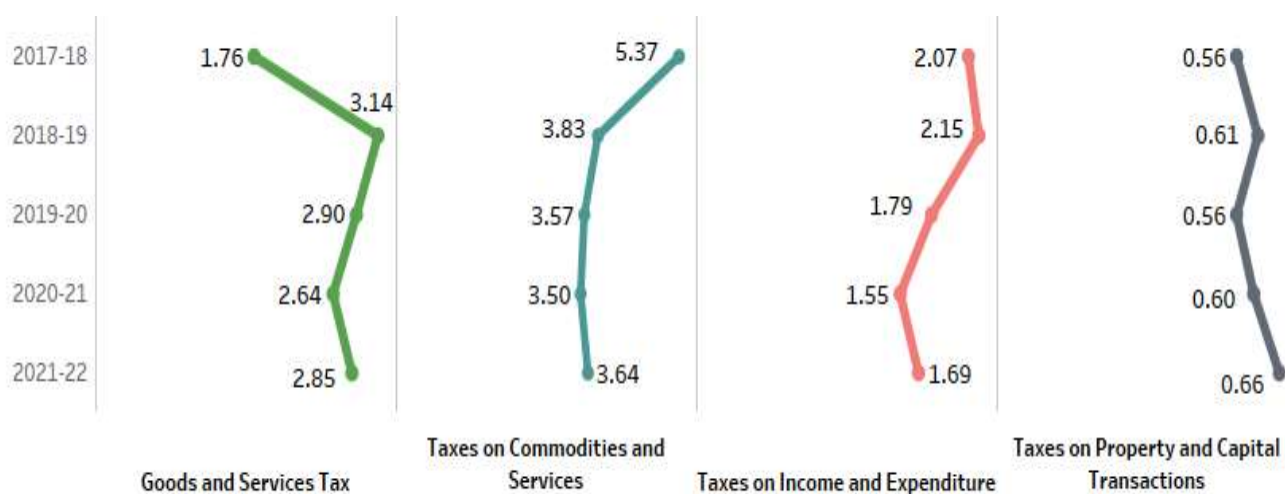
2.3.1 Components of Tax Revenue

(₹ in crore)

Sector	2017-18	2018-19	2019-20	2020-21	2021-22
a) Goods and Services Tax	14,157	29,349	28,241	26,095	34,262
b) Taxes on Income and Expenditure	16,623	20,110	17,421	15,287	20,375
c) Taxes on Property and Capital Transactions	4,510	5,648	5,472	5,887	7,944
d) Taxes on Commodities and Services	43,198	35,711	34,709	34,600	43,783
Total Tax Revenues	78,488	90,818	85,843	81,869	1,06,365
GSDP	8,03,873	9,33,402	9,72,782	9,86,611	12,01,736

The increase in total tax revenue during 2021-22 was mainly attributable to highest collection under State Goods and Services Tax (₹ 23,809 crore), Corporation Tax (₹ 9,347 crore), Taxes on Income other than Corporation Tax (₹ 10,665 crore), Stamps and Registration Fees (₹ 7,635 crore), Taxes on Vehicles (₹ 3,432 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	State's share of Union tax	State's own tax revenue	
			Tax Revenue	Percentage of GSDP
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
2021-22	1,06,365	35,386	70,979	6

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

(₹in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
State's own tax collection	49,487	58,031	57,601	57,408	70,979
Devolution of union taxes	29,001	32,787	28,242	24,461	35,386
Total tax revenue	78,488	90,818	85,843	81,869	1,06,365
Percentage of State's own tax to total tax revenue	63	64	67	70	67

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

(₹in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
State Good and Services tax	10,820	20,611	20,227	18,871	23,809
Taxes on sales, trade etc.	25,335	21,914	21,410	17,800	20,808
State excise	5,460	6,220	6,915	11,575	14,703
Taxes on vehicles	3,039	3,341	3,279	2,966	3,433
Stamp and registration fees	4,271	5,428	5,318	5,603	7,635
Taxes and duties on electricity	16	11	11	13	11
Land revenue	107	57	21	143	50
Taxes on goods and passengers	5	26	36	25	1
Other taxes	434	423	384	412	529
Total State's own taxes	49,487	58,301	57,601	57,408	70,979

2.4.2 Cost of Tax Collection

(₹ in crore)

Column1	Taxes	2017-18	2018-19	2019-20	2020-21	2021-22
A	Taxes on sales, trades etc.					
	Revenue collection	25,335	21,914	21,410	17,800	20,808
	Expenditure on collection	328	321	329	326	343
	Cost of tax collection (%)	1	1	2	2	2
B	State excise					
	Revenue collection	5,460	6,220	6,915	11,575	14,703
	Expenditure on collection	324	340	443	323	108
	Cost of tax collection (%)	6	5	6	3	1
C	Taxes on vehicles, goods and passengers					
	Revenue collection	3,044	3,367	3,315	2,991	3,434
	Expenditure on collection	151	107	142	142	129
	Cost of tax collection (%)	5	3	4	5	4
D	Stamps and registration fee					
	Revenue collection	4,271	5,428	5,318	5,603	7,635
	Expenditure on collection	149	152	138	144	172
	Cost of tax collection (%)	3	3	3	3	2

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

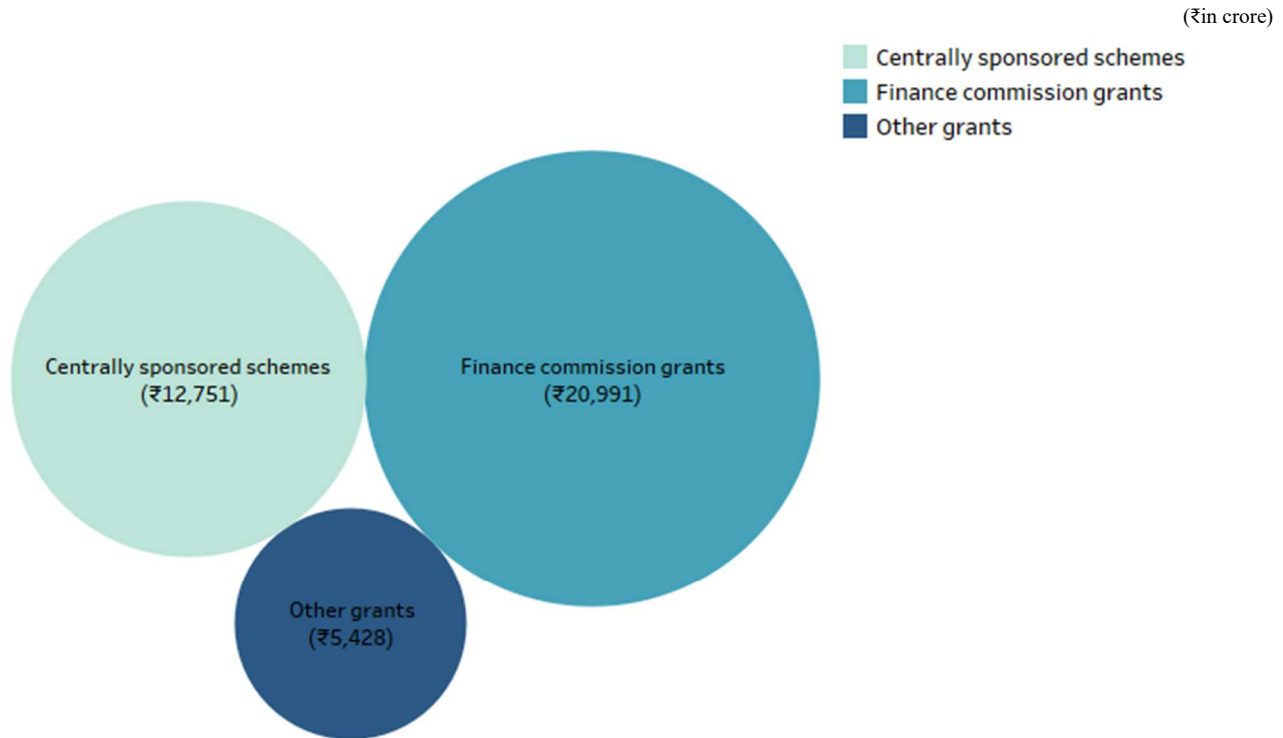
(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Central goods and services tax(CGST)	409	8,092	8,014	7,224	10,453
Integrated goods and services tax(IGST)	2,927	646	0	0	0
Corporation tax	8,880	11,401	9,630	7,413	9,437
Taxes on income other than corporation tax	7,498	8,397	7,545	7,604	10,666
Taxes on wealth	0	4	0	0	2
Customs	2,926	2,324	1,790	1,270	2,764
Union excise duties	3,059	1,544	1,245	818	1,610
Service tax	2,975	303	0	113	415
Other taxes and duties on commodities and services	382	76	18	20	40
Total State's share of union taxes	29,001	32,787	28,242	24,462	35,387

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 2021-22 under Grants-in-aid were ₹ 39,170 crore as shown below:



2.5.1 Trend of Grants in Aid



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	2017-18	2018-19	2019-20	2020-21	2021-22
Internal debt	19,031	23,461	32,342	40,472	35,862
Central loans	-49	1,245	720	3,232	3,502
Total public debt	18,982	24,706	33,062	43,701	39,364

2.6.1 Internal Debt:

In 2021-22, 53 open market borrowings at par totaling ₹ 46,443 crore at interest rates varying from 6.78 per cent to 7.48 per cent and redeemable in the years between 2034 and 2042 were raised from the open market and repaid ₹10,340 crore. In addition, the State Government availed ₹ 1,06,326 crore by Ways & Means Advances from RBI and repaid the same. An amount of ₹ 1,946 crore was raised from financial institutions and ₹ 1,001 crore was repaid. Thus, the net total Internal Debt was ₹35,862crore.

2.6.2 Government of India Loans:

The State Government received ₹4,896 crore from Government of India as Loans and Advances and repayments were ₹1,394 crore in 2021-22.

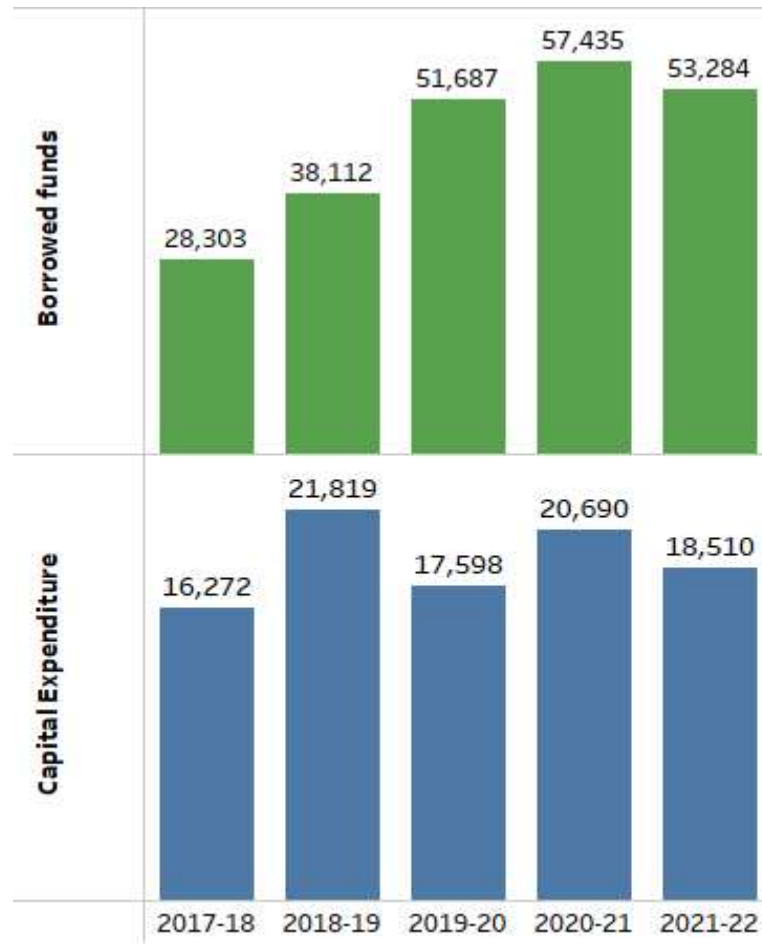
2.6.3 Borrowed Funds viz-a-viz Capital Expenditure

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 ₹ 53,284⁶ crore, an amount of ₹18,511 crore was utilised to meet Capital Expenditure (including ₹ 2,138 crore disbursed as Loans & Advances).

Normally, Public Debt is discharged through the use of Revenue Surplus. In the year 2021-22, even though the State Government had Revenue Deficit of ₹8,611 crore, the Government discharged a public debt of ₹13,920 crore.

⁶ Difference of total Public Debt Receipts(₹1,59,610 crore) and total Ways & Means Advances Receipts(₹ 1,06,326 crore)

(₹ in crore)



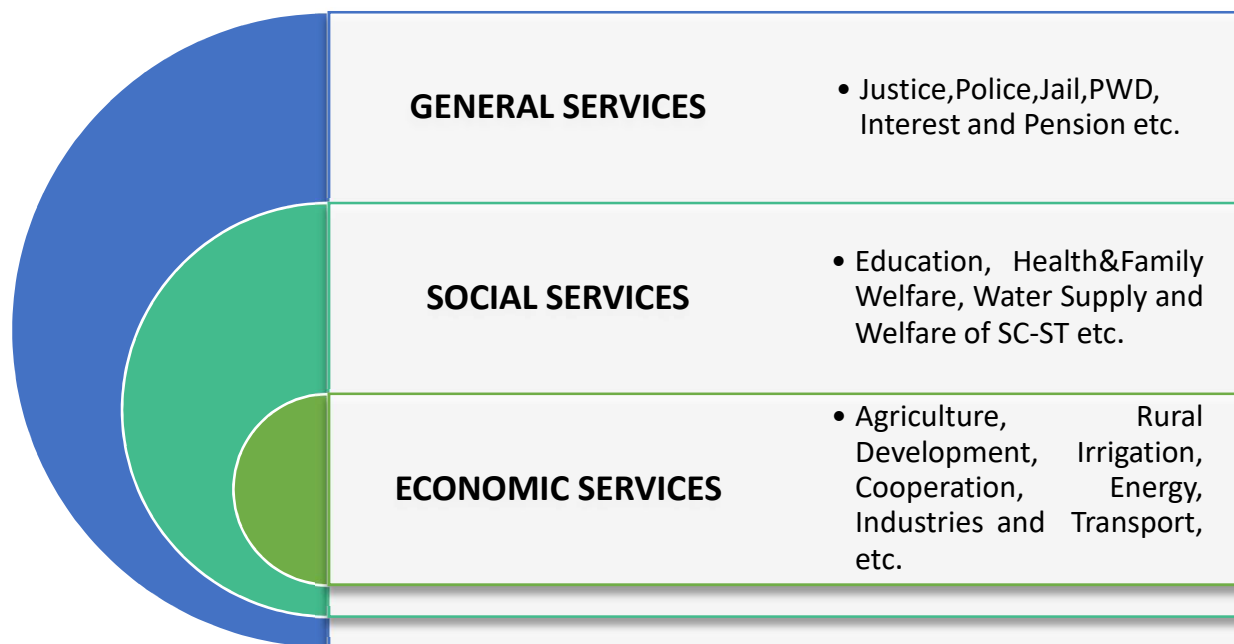
CHAPTER 3

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	2020-21	2021-22	% increase/decrease over previous year
A. Fiscal services	1,016	843	-17
(i) Collection of Taxes on property and Capital transactions	217	255	18
(ii) Collection of Taxes on Commodities and Services	799	588	-26
(iii) Other Fiscal services
B. Organs of State	1,010	1,117	11
C. Interest payments and Servicing of Debt	20,018	22,165	11
D. Administrative Services	9,444	11,699	24
E. Pensions and Miscellaneous General services	17,502	20,300	16
F. Social Services	65,988	69,244	5
G. Economic Services	37,697	33,775	-10
H. Grants-in-aid and Contributions	20	20	...
Total Expenditure(Revenue Account)	1,52,677	1,59,163	4

3.2.2 Trend of Major components of Revenue Expenditure (2017 – 2022)

(₹ 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	2017-18	2018-19	2019-20	2020-21	2021-22
Budget estimates	1,25,912	1,50,272	1,80,476	1,80,393	1,82,197
Actuals	1,21,214	1,28,570	1,37,475	1,52,677	1,59,163
Gap	-4,698	-21,702	-43,001	-27,716	-23,034
Percentage of variation of actuals against BE	-4	-14	-24	-15	-13

In 2021-22 the State Government did not incur the planned revenue expenditure / budgeted revenue expenditure leading to shortfall of 12.64 % of budget estimates.

3.2.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pensions is treated as Committed Expenditure. Around 52.39 per cent of the revenue expenditure was incurred on committed expenses such as Salaries⁷ (₹ 40,909 crore), Interest Payments (₹ 22,165 crore) and Pensions (₹ 20,327 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	2017-18	2018-19	2019-20	2020-21	2021-22
Total revenue expenditure	1,21,214	1,28,570	1,37,475	1,52,677	1,59,163
Committed revenue expenditure(#)	62,364	65,226	71,218	77,481	83,401
Percentage of committed revenue expenditure to total revenue expenditure	51	51	52	51	52

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

⁷Includes detailed heads 010-Salaries (₹ 38,301 crore), 020-Wages (₹ 62 crore), 030-Overtime allowance (₹ 0.02 crore), 270/273, Work charged establishment (₹NIL) & 310/311-Grants-in-aid towards salaries (₹2,546 crore).

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

(₹ in crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22
Committed expenditure	62,899	65,830	71,811	78,071	84,002(*)
Revenue expenditure	1,21,214	1,28,570	1,37,475	1,52,677	1,59,163
Revenue receipts	1,05,063	1,14,671	1,11,034	1,17,136	1,50,552
Percentage of committed expenditure to revenue receipts	60	57	65	67	56
Percentage of committed expenditure to revenue expenditure	52	51	52	51	53

The committed expenditure increased by 33.55 per cent from 2017-18 to 2021-22 while revenue expenditure registered a growth of 31.30 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 10.72 per cent in 2021-22 over the previous year. Pension payment increased by 16.35 per cent and Salary payment increased by 2.29 per cent in 2021-22 over the previous year.

(₹ in crore)



*Includes Salaries of ₹601 crore booked under Capital.

3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2021-22 amounting to ₹ 16,373 crore (1.36 per cent of GSDP) fell short of the Budget Estimates by ₹14,825 crore.

3.3.1 Distribution of Capital Expenditure

During 2021-22, Government spent ₹5,778 crore on various irrigation projects (₹5,402 crore on Major Irrigation, ₹49 crore on Medium Irrigation, and ₹ 327 crore on Minor Irrigation) and ₹0.39 crore on Ports and Light Houses. Apart from the above, the Government spent ₹201 crore on construction of Buildings, ₹92 crore on construction of Roads and Bridges, ₹ 187 crore on Rural Water Supply Schemes, ₹1,835 crore on investment in various Corporations/Companies/Societies and ₹15,892 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		2017-18	2018-19	2019-20	2020-21	2021-22
General Services	Capital	283	275	3,752	6,498	1,988
	Revenue	24,969	40,790	45,222	48,990	56,124
Social services	Capital	2,890	2,866	2,056	5,206	6,366
	Revenue	59,159	64,382	68,101	65,988	69,244
Economic services	Capital	10,317	16,835	6,434	7,271	8,018
	Revenue	22,894	23,459	24,136	37,679	33,775

Note: i) Capital Expenditure does not include expenditure on loans and advances (₹2,138crore).

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	2017-18	2018-19	2019-20	2020-21	2021-22
Budget(BE)	21,959	28,678	32,293	29,908	31,198
Actual Expenditure	13,491	19,976	12,242	18,975	16,373
Percentage of actual expenditure to BE	61	70	38	63	53
Yearly growth in capital expenditure	-11	48	-39	55	-14
GSDP	8,03,873	9,33,402	9,72,782	9,86,611	12,01,736
Yearly growth in GSDP	15	16	4	1	22

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	163,869	24,814	188,682	156,137	-32,546	28,621
Charged	22,884	1,399	24,284	22,309	-1,974	14
Capital						
Voted	31,485	4,614	36,099	17,476	-18,623	18,412
Charged	36	143	178	146	-32	32
Public debt						
Charged	15,503	106,205	121,707	120,246	-1,461	1,393
loans and Advances						
Voted	882	614	1,495	2,138	643	459
Grand total						
Total	234,657	137,788	372,446	318,452	-53,994	48,931

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:

(₹in crore)

Grant No.	Grant Name	Section	Budget	Expenditure	Savings	% of Saving
I	State Legislature	Revenue(Voted)	108.33	100.96	7.37	6.8
		Revenue(Charged)	2.73	2.03	0.7	25.68
II	Governor and Council of Ministries	Revenue(Voted)	40.6	26.5	14.1	37.72
		Revenue(Charged)	18.75	13.08	5.67	30.25
III	Administration of Justice	Revenue(Voted)	779.25	701.2	78.05	10.01
		Revenue(Charged)	70.67	70.02	0.65	0.91
		Capital(Voted)	52	12.98	39.02	75.03
IV	General Administration and Elections	Revenue(Voted)	834.01	759.86	74.14	8.88
		Revenue(Charged)	35.81	33.58	2.24	6.25
		Capital (Voted)	11.08	1.49	9.59	86.55
V	Revenue, Registration and Relief	Revenue(Voted)	5626.58	4237.88	1388.7	24.68
		Capital(Voted)	1666.31	361.08	1305.23	78.33
VI	Excise Administration	Revenue(Voted)	126.52	113.75	12.77	10.09
VII	Commercial Taxes Administration	Revenue(Voted)	372.04	338.36	33.67	9.05

VIII	Transport Administration	Revenue(Voted)	232.72	140.55	92.17	39.6
		Capital(Voted)	139.66	6.92	132.74	95.04
IX	Fiscal Administration, Planning, Surveys and Statistics	Revenue(Charged)	24149.84	22184.45	1965.39	8.13
		Capital(Voted)	1952.31	1782.25	170.07	8.71
		Loans(Voted)	65	15.78	49.25	75.76
		Public Debt(Charged)	121707.44	120246.07	1461.37	1.2
X	Home Administration	Revenue(Voted)	7264.43	6743.18	521.25	7.17
		Revenue(Charged)	0.55	0.54	0.01	0.01
		Capital(Voted)	590.69	278.05	312.64	52.92
XI	Roads and Buildings	Revenue(Voted)	5402.07	4746.31	655.77	12.13
		Revenue(Charged)	5	0.93	4.06	81.2
		Capital(Voted)	2623.17	829.58	1793.59	68.37
		Capital(Charged)	2.5	1.02	1.48	59.2
XII	School Education	Revenue(Voted)	21773.71	20616.56	1157.15	5.31
		Capital(Voted)	3810.28	2897.19	913.09	23.96
XIII	Higher Education	Revenue(Voted)	1828.4	1736.81	91.59	5
		Capital(Voted)	407.67	192.54	215.13	52.77
XIV	Skill development and training	Revenue(Voted)	750.81	809.61	241.2	32.12
		Capital(Voted)	163.4	72.27	91.13	55.77
XV	Sports and Youth services	Revenue(Voted)	115.08	80.29	34.79	32.23
		Capital(Voted)	60.88	16.85	44.03	72.32
XVI	Medical and Health	Revenue(Voted)	13392.19	10427.13	2965.06	22.14
		Capital(Voted)	2687.11	1147.89	1539.21	57.28
XVII	Municipal Administration and Urban Development	Revenue(Voted)	8091.63	5449.31	2642.32	32.65
		Capital(Voted)	1464.5	518.2	946.3	64.61
XVIII	Housing	Revenue(Voted)	5518.13	3006.29	2511.84	45.51
XIX	Information and Public Relations	Revenue(Voted)	273.61	220.5	53.11	19.41
		Capital(Voted)	1	0.26	0.73	73
XX	Labour, Factories, Boilers	Revenue(Voted)	711.94	307.56	440.38	61.85
XXI	Social Welfare	Revenue(Voted)	5697.96	4393.71	1294.25	22.71
		Capital(Voted)	291.7	64.83	226.86	77.77
XXII	Tribal Welfare	Revenue(Voted)	2526.51	1938.81	587.7	23.26
		Capital(Voted)	149.77	60.5	89.27	59.6
XXIII	Backward classes welfare	Revenue(Voted)	18890.08	15894.12	2995.96	15.85
		Capital(Voted)	147.4	25.32	122.08	82.82
XXIV	Minority Welfare	Revenue(Voted)	1443.51	1047.08	396.43	27.46
		Capital(Voted)	16.16	1.2	15.26	94.43
XXV	Women, Child and Disabled Welfare	Revenue(Voted)	4133.42	3204.12	929.3	22.48
		Capital(Voted)	537.69	21.79	515.9	95.94
XXVI	Administration of Religious Endowments	Revenue(Voted)	412.47	110.67	301.8	73.16
XXVII	Agriculture	Revenue(Voted)	11057.7	7449.35	3608.35	32.63
		Capital(Voted)	427.91	204.25	223.66	52.26
XXVIII	Animal Husbandry and Fisheries	Revenue(Voted)	1395.48	932.47	463.01	33.17
		Capital(Voted)	235.19	33.53	201.66	85.74

		Loans(Voted)	100	30.21	69.79	69.79
XXIX	Forest, Science, Technology and Environment	Revenue(Voted)	751.48	382.74	368.74	49.08
		Capital(Voted)	64.77	22.5	42.27	65.26
XXX	Co-operation	Revenue(Voted)	183.22	149.13	34.09	18.6
		Capital(Voted)	353.27	340.85	12.42	3.51
		Loans(Voted)	92.38	32.48	59.9	64.84
XXXI	Panchayat Raj	Revenue(Voted)	9478.98	7094.61	2384.38	25.15
		Capital(Voted)	3270.21	1887.57	1382.64	42.27
XXXII	Rural Development	Revenue(Voted)	6973.46	4845.5	2127.96	30.51
XXXIII	Major and Medium Irrigation	Revenue(Voted)	1628.29	1537	91.29	5.6
		Capital(Voted)	12278.95	5989.46	6289.59	51.22
		Capital(Charged)	174.79	145.07	29.72	17
XXXIV	Minor Irrigation	Capital(Voted)	766.68	326.6	440.08	57.4
XXXV	Energy, Infrastructure and Investment	Revenue(Voted)	14006.56	10903.4	3103.16	22.15
		Capital(Voted)	100	92.73	7.27	7.27
		Loans(Voted)	1006.85	735.44	271.41	26.95
XXXVI	Industries and commerce	Revenue(Voted)	2226.7	972.38	1254.32	56.33
		Capital(Voted)	1541.37	188.34	1353.03	87.78
		Loans(Voted)	230.01	172.76	57.25	24.89
XXXVII	Tourism, Art and Culture	Revenue(Voted)	45.75	30.67	15.08	32.96
		Capital(Voted)	165.7	83.28	82.42	49.74
XXXVIII	Civil Supplies Administration	Revenue(Voted)	3698.29	789.92	2908.37	78.64
		Capital(Voted)	2.3	0.32	1.98	86.08
XXXIX	Information Technology, Electronics and Communications	Revenue(Voted)	189.02	91.47	97.55	51.6
		Capital(Voted)	66.61	15.36	51.25	76.94
XL	Public Enterprises	Revenue(Voted)	1.56	1.11	0.45	28.84

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:

(₹in crore)

Grant No	Grant name	Section	Budget	Expenditure	Saving	% of saving
VII	Commercial taxes and Administration	Capital(Voted)	3	...	3	100
XIII	Higher education	Loans(Voted)	1	...	1	100
XXXII	Rural Development	Capital(Voted)	50	...	50	100
XXXIII	Major and Minor Irrigation	Revenue(Charged)	0.06	...	0.06	100

The following Grants showed excess appropriation:

(₹in crore)

Grant No.	Grant name	Section	Budget	Expenditure	Excess	% of Excess
V	Revenue and Registration and Relief	Revenue(Charged)	0	4	4	100
		Loans(Voted)	0	1,000	1,000	100
IX	Fiscal, Administration , Planning and survey	Revenue(Voted)	30,612	33,990	33,783	10
XVII	Municipal administration and Urban development	Loan(Voted)	0	151	151	100
XXXIV	Minor irrigation	Revenue(Voted)	97	115	18	15

During 2021-22, Supplementary Provisions for ₹ 1, 37,788crore (43.27per 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)

Grants No.	Grant Name	Section	Budget	Original	Expenditure	Supplementary
I	Governor and council of ministries	Revenue	55.94	39.58	16.36	3.41
III	Administration of Justice	Revenue	70.21	70.02	0.19	0.46
IV	General administration and Elections	Revenue	803.00	759.87	43.13	31.01
		Capital	11.00	1.49	9.51	0.08
V	Revenue, Registration and Relief	Revenue	5,248.40	4,237.88	1,010.52	378.18
		Capital	1,510.66	361.08	1,149.58	155.65
VII	Commercial Taxes Administration	Revenue	352.59	338.36	14.22	19.45
VIII	Transport administration	Revenue	156.26	140.55	15.71	76.46
IX	Fiscal Administration, Planning, Surveys and Statistics	Revenue	22,752.56	22,184.45	568.12	1,397.28
X	Home Administration	Capital	508.49	278.05	230.43	82.20
XI	Roads and Buildings	Revenue	5,015.49	4,746.31	269.19	386.58
		Capital	2,597.17	829.58	1,767.59	26.00
XII	School Education	Revenue	20,813.94	20,616.56	197.38	959.78
XIII	Higher Education	Capital	381.46	192.54	188.92	26.21
XIV	Skill Development and Training	Revenue	740.90	509.61	231.30	9.91
		Capital	158.40	72.27	86.13	5.00
XV	Sports and Youth Services	Revenue	109.76	80.29	29.47	5.33
XVI	Medical and Health	Revenue	11,365.81	10,427.14	938.67	2,026.49
		Capital	2,464.63	1,147.90	1,316.73	222.49
XVII	Municipal Administration	Revenue	7,364.38	5,449.31	1,915.07	727.25
		Capital	1,362.70	518.20	844.50	101.80

XVIII	Housing	Revenue	4,715.02	3,006.29	1,708.73	803.11
XIX	Information and Public Relations	Revenue	273.52	220.50	53.02	0.09
XX	Labour, Factories, Boilers& Insurance Medical Services	Revenue	711.88	307.56	404.32	0.07
XXI	Social Welfare	Revenue	5,436.55	4,393.71	1,042.85	251.41
		Capital	171.70	64.83	106.87	120.00
XXII	Tribal Welfare	Revenue	2,408.61	1,938.81	469.79	117.90
		Capital	139.77	60.50	79.26	10.00
XXIII	Backward Classes Welfare	Revenue	18,148.94	15,894.12	2,254.82	741.14
XXIV	Minority Welfare	Revenue	1,424.80	1,047.08	377.72	18.71
		Capital	9.21	1.20	8.01	7.26
XXV	Women, Child and disabled Welfare	Revenue	3,770.19	3,204.12	566.07	363.23
		Capital	531.33	21.79	509.54	6.36
XXVI	Administration of Religious Endowments	Revenue	270.39	110.67	159.72	142.08
XXVII	Agriculture	Revenue	10,481.07	7,449.36	3,031.72	576.63
		Capital	426.70	204.25	222.45	1.21
XXVIII	Animal Husbandry and Fisheries	Revenue	1,217.51	932.47	285.04	177.97
		Capital	194.01	33.53	160.48	41.18
XXIX	Forest, Science, Technology and Environment	Revenue	745.26	382.74	362.53	6.21
		Capital	61.20	22.50	38.71	3.56
XXX	Co-operation	Revenue	162.38	149.13	13.26	20.84
		Loans	82.38	32.48	49.90	10.00
XXXI	Panchayat Raj	Revenue	9,220.99	7,094.61	2,126.38	258.00
		Capital	3,117.87	1,887.57	1,230.30	152.34
XXXII	Rural Development	Revenue	6,523.11	4,845.50	1,677.61	450.34
XXXIII	Major and Medium Irrigation	Revenue	1,583.35	1,537.00	46.34	44.95
		Capital	10,852.25	5,989.46	4,862.78	1,426.70
XXXIV	Minor Irrigation	Capital	708.08	326.60	381.48	58.61
XXXVI	Industries and Commerce	Revenue	1,916.96	972.38	944.59	309.73
		Capital	1,526.37	188.34	1,338.03	15.00
XXXVII	Tourism, Art and Culture	Revenue	44.45	30.67	13.78	1.30
XXXVIII	Civil Supplies Administration	Revenue	3,695.10	789.92	2,905.18	3.20
		Capital	0.80	0.32	0.48	1.50
XXXIX	Information Technology, Electronics and Communications	Revenue	144.28	91.48	52.80	44.75
		Capital	63.61	15.36	48.25	3.00

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 ₹11,365 crore at the end of 2021-22. An amount of ₹6 crore (0.05 per cent of investment) was received as dividends indicating an inadequate return on investment.

Cash balance with the RBI stood at ₹ (-)69 crore on 1st April 2021 and increased to ₹(-)30 crore at the end of 31 March 2022. Government had invested an amount of ₹23,133 crore in 14 days treasury bills in 2021-22 and rediscounted bills worth ₹22,106 crore leaving a closing cash balance investment of ₹1,773 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 ₹50,834 crore for 2021-22. Against this, Government of Andhra Pradesh availed of open market borrowings totaling ₹ 46,443 crore during 2021-22.

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

(₹in crore)

Year	Public Debt	% of GSDP	Public Account [*]	% of GSDP	Total Liabilities	% of GSDP
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
2021-22	3,04,040 ¹	26	68,463	6	3,72,503 ¹	31

* Excludes suspense and remittance balance.

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

1) Excludes an amount of ₹5,583crore towards Back to Back loans to States in lieu GST Compensation shortfall which being serviced by the GoI.

Public Debt and Other Liabilities showed a net increase of ₹ 21,946 crore (6.26 per cent) over the previous year due to raising of new long-term market loans.

Government Liabilities

(₹in crore)

	Year				
Loans & Advances from Central govt.	8,978	10,223	10,943	14,171	17,672
Other Obligations	41,406	48,385	58,498	54,021	41,473
Small savings and Provident funds	13,509	15,730	16,745	23,276	26,990
Internal Debt	1,59,813	1,83,274	2,15,617	2,56,088	2,86,368
	2017-18	2018-19	2019-20	2020-21	2021-22

*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 31st March	
		Principal	Interest
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
2021-22	1,57,123	1,18,003	23

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 2022, an adverse balance of ₹ 134 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, ₹15 crore represents loans availed from LIC, ₹9 crore pertains to repayments on behalf of Co-operatives, ₹8 crore by Rural Electric Corporation, ₹85 crore by the Andhra Pradesh Road Development Corporation, ₹ 15 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 2021-2022 was ₹33,449 crore. Of this, Loans and Advances to Government Corporations / Companies, Non-Government Institutions and Local Bodies amounted to ₹ 33,069 crore. Recovery of principal aggregating to ₹31,314crore and interest amounting to ₹24,510crore is in arrears at the end of 31 March 2022. During 2021-22, only ₹2,110 crore has been received towards repayment of Loans and Advances, out of which ₹ 32 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 decreased from ₹73,666 crore in 2020-21 to ₹ 66,082 crore in 2021-2022. Grants to Zilla Parishads, Panchayat Samitis, Gram Panchayats and Municipalities (₹14,242 crore) represented 21.55 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	2017-18	2018-19	2019-20	2020-21	2021-22
Zilla Parishads	5,432	5,547	5,659	6,091	6,420
Municipalities	1,779	1,461	2,663	2,588	2,202
Panchayat Samitis	2,810	2,081	4,750	7,187	5,620
Others*	43,070	51,706	46,843	57,800	51,840
Total	53,091	60,795	59,915	73,666	66,082

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

6.4 Cash Balance and Investment of Cash Balance

(₹in crore)

Component	As on 01 April 2021	As on 31 March 2022	Net increase(+)/decrease(-)
Cash balances	-69	-30	39
Investment from cash balance(Gol treasury bills)	746	1,773	1027
Other Cash balance	3	3	0
(a) Departmental balances	1	1	0
(b) Permanent cash imprest	2	2	0
Investment from earmarked fund balances	9,811	10,581	770
(a) Sinking fund	8,932	9,631	699
(b) Guarantee redemption fund	874	944	70
(c) Other funds	5	6	1
Interest realized during the year	756	795	39

State Government had a Negative closing cash balance at the end of 2021-22. It invested ₹ 10,581 crore towards cash balances and earmarked fund (Consolidated Sinking Fund, Guarantee Redemption Fund, etc.) balances.

6.5 Reconciliation of accounts

As per provisions of Andhra Pradesh Financial Code Volume I and Andhra Pradesh Budget Manual, 2011 every DDO / CCO are required to reconcile receipts and expenditure of the Government with the figures with those of booked figures of O/o Accountant General (A&E) Andhra Pradesh. During the year 2021-22, receipts amounting to ₹1,52,581.17crore (99.95 *per cent* of total receipts) and expenditure amounting to ₹1,68,449.10crore (94.81 *per cent* of total expenditure) were reconciled as against 100 *per cent* reconciliation. In comparison, receipts amounting to ₹39,640.56 crore (33.54 *per cent* of total receipts) and expenditure amounting to ₹1,71,401.84crore (98.87 *per cent* of total expenditure) were reconciled by the State Government during 2020-21 i.e. during the previous year.

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 Unadjusted abstract contingent (AC) Bills:

As per SR 18 below TR 16 read with State Government Orders (April 2002) financial 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, in terms of the Financial Rules (Art 99 of AP Financial Code) for the purpose of meeting contingent expenditure

of a specified kind or on a specific occasion. The Treasury rules² and Government orders³ stipulate that all advances drawn on AC bills should be adjusted by submitting the detailed contingent (DC) bills with supporting vouchers within a month. In any case, a third AC bill shall not be admitted till the first AC bill is settled.

Out of total 622 AC bills amounting to ₹285.48 crore drawn during the year 2021-22, 203 AC bills amounting to ₹49.13 crore (32.64 *per cent*) were drawn in March 2022. To the end of 31 March 2022, DC Bills in respect of a total of 1,515 AC bills amounting to ₹1,531.35 crore were not received. Details of unadjusted AC bills as on 31 March 2022 pending submission of DC bills are given below:

Year	No. of unadjusted AC Bills	Amount(₹in crore)
Upto 2020-21	1,152	1,324.49
2021-22	363	206.86
Total	1,515	1,531.35

Comparative information with previous year AC bills:

Status/Year	2020-21	2021-22
No. of unadjusted AC Bills	579	363
Amount(₹ in crore)	465.74	206.86

6.8 Status of Suspense and Remittances Balance

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads worked out by aggregating the outstanding debit and credit balances separately under various heads was ₹1,139.92 (credit) crore under five Heads of Account as on 31 March 2022 (₹758.51 crore (credit) as on 31 March 2021). Non-clearance of outstanding balances under these heads affects the accuracy of receipt/expenditure figures and balances under different HOAs (which are carried forward from year to year) of the State Government.

² SR18 below TR 16 of AP Treasury Code Volume I

³ GO.Ms.No.391, Finance (TFR) Dept, dated 22nd March 2002 and GO Ms No.507, Finance (TFR) Dept, dated 10th April 2002.

6.9 Liabilities towards New Pension System:

During the year 2021-22, total contribution to Defined Contribution Pension Scheme (CPS) was ₹1,984.50 crore (Employees' contribution ₹966.04 crore and Government contribution ₹1,018.46 crore). The detailed information on government contribution is available in Statement No. 15 of the Finance Accounts. The Government transferred ₹2,037.45 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme. The State Government made excess contribution of ₹52.42 crore to NPS which resulted in overstatement of Revenue deficit and Fiscal deficit to that extent.

6.10 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. During 2021-22, an amount of ₹65,534.10 crore was transferred to these PD Accounts from Consolidated Fund of States (CFS). This includes ₹5,531.77 crore transferred in March 2022, out of which, ₹1,207.82 crore was transferred from CFS on the last working day of March 2022. 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/ PD Accounts were migrated into CFMS. The status of reconciliation of PD Accounts as required under above rule is awaited from the State Government.

Details of the PD account as on 31 March 2022 are given below:

(₹ in crore)

Opening Balance as on 1st April 2022		Addition during the year 2021-22		Closed/Withdrawal during the year 2021-22		Closing Balance as on 31st March 2022	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
3213	25,796.76	392	65,534.10	76	77,863.91	3529	13,466.94

Comparative information of the previous year: 2020-21 is given below

(₹ in crore)

Opening Balance as on 1st April 2020		Addition during the year 2020-21		Closed/Withdrawal during the year 2020-21		Closing Balance as on 31st March 2021	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
1283	7,277.12	2190	1,16,822.68	260	98,303.05	3213	25,796.76

During the year 2021-22, lapsed funds amounting to ₹9082.52 crore were revalidated on 1st April, 2021 centrally by way of Adjustment Bills. These were un-utilised amounts in the PD Accounts which were

lapsed in the accounts of previous financial year 2020-21. A sample check of some of the PD account adjustments, made centrally by the State Government authorities, under the Major Heads of account was also conducted in order to ascertain their compliance to the Codal Provisions.

In the study, it was noticed that the required sanction orders, Budget Release orders were not available in support of these bulk transactions as these were processed as adjustment bills centrally without proper budget. These transactions were, however, Regularized by the Appropriation Act for 2021-22 which was passed on 31 May 2021. On being pointed out by the Accountant General that the adjustment bills lacked the required essential supporting documents, these transactions were ratified at a later date i.e., 11 August 2021 by the Finance Department by issuing blanket ratification orders in respect of all such transactions. An amount of ₹ 4,042.82 crore from PD accounts was lapsed to the Consolidated Fund at the end of the financial year 2021-22 as unutilized balances. Footnotes regarding revalidation and lapsing of funds are included under the relevant grants in Appropriation Accounts.



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