



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

# ACCOUNTS AT A GLANCE 2024-25

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**GOVERNMENT  
OF  
ANDHRA PRADESH**

**PRINCIPAL ACCOUNTANT GENERAL (A & E)  
ANDHRA PRADESH**



# PREFACE

*"Accounts at a Glance" is an annual publication prepared under the direction of the Comptroller and Auditor General of India (CAG) as mandated by the CAG (Duties, Powers and Conditions of Service) Act, 1971. It offers a concise and accessible summary of the detailed Finance Accounts and Appropriation Accounts legally laid before the State Legislature.*

*The Office of the Principal Accountant General (Accounts and Entitlements), Andhra Pradesh, compiles these vital financial statements, which consolidate all receipts and expenditures under the Consolidated Fund, Contingency Fund and Public Account, reflecting the comprehensive financial operations of the State Government during the fiscal year. These accounts are compiled from data provided by District Treasury Offices, Public Works Pay and Accounts Offices, other government bodies and the Reserve Bank of India and are thoroughly audited by the Principal Accountant General (Audit) before certification by the CAG.*

*This publication transforms complex financial data into clear narrative, structured statements and visual graphs, supporting informed oversight by legislators, policymakers, researchers and the public. All figures are sourced from the certified official accounts, with the official accounts prevailing in case of discrepancies.*

*We trust "Accounts at a Glance" will serve as a valuable resource and welcome constructive feedback to enhance future editions. Please send suggestions to [agaeandhrapradesh@cag.gov.in](mailto:agaeandhrapradesh@cag.gov.in).*



(Shanthi Priya S)

Principal Accountant General (A&E)

Date: 24/11/2025



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# VISION

We are committed to establishing ourselves as a global leader and innovator in setting national and international benchmarks for excellence in public sector auditing and accounting. Our aspiration is to earn widespread recognition for delivering independent, credible and balanced reporting, ensuring timely insights into public finance and governance with the utmost professionalism.

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# MISSION

Empowered by the Constitution of India, we are dedicated to advancing accountability, transparency and effective governance through the delivery of high-calibre auditing and accounting services. Our mission is to provide authoritative assurance to our stakeholders—the Legislature, the Executive and the Public—confirming that public funds are managed with efficiency and allocated strictly for their intended purposes.

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# CORE VALUES

- **Independence:** Upholding impartiality in all our endeavours.
- **Objectivity:** Maintaining an unbiased and fair approach.
- **Integrity:** Adhering to the highest ethical standards.
- **Reliability:** Ensuring consistency and trustworthiness in our work.
- **Professional Excellence:** Pursuing superior quality and expertise.
- **Transparency:** Fostering openness in all our processes.
- **Positive Approach:** Embracing a constructive and forward-thinking mindset.





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# INTRODUCTION

The Principal Accountant General (Accounts and Entitlements), Andhra Pradesh, is responsible for the meticulous compilation of the Government of Andhra Pradesh's receipts and expenditure accounts. This process is underpinned by initial accounts submitted by 26 District Treasuries (DTOs), 38 Public Works Pay and Accounts Offices (PAO(W)), 3 Pay and Accounts Offices and data received from the Government of India and other State Governments regarding their financial transactions with Andhra Pradesh. Additionally, it incorporates advices from the Reserve Bank of India concerning adjustments to the State's Cash Balance.

At the conclusion of the fiscal year, following a rigorous audit by the Principal Accountant General (Audit), Andhra Pradesh and certification by the Comptroller and Auditor General of India, the Finance Accounts and Appropriation Accounts of the State Government are formally presented to the State Legislature.

*'Accounts at a Glance'* offers a comprehensive overview of governmental activities, as reflected in the Finance Accounts and Appropriation Accounts. The information is conveyed through concise explanations, detailed statements and illustrative graphs. All figures are derived from the Finance and Appropriation Accounts of the Government of Andhra Pradesh. In the event of any discrepancies, the figures presented in the Finance and Appropriation Accounts shall be regarded as authoritative.

# STRUCTURE OF GOVERNMENT ACCOUNTS

## **CONSOLIDATED FUND**

Encompasses all Government receipts, including tax and non-tax revenues, loans raised and repayments of loans extended (including interest). All governmental expenditures, disbursements, loan releases and repayments (with interest) are funded from this source.

## **CONTINGENCY FUND**

Functions as an imprest to address unforeseen expenditures pending legislative authorization, with subsequent recoupage from the Consolidated Fund. The allocated corpus for the Government of Andhra Pradesh is ₹50.00 crore.

## **PUBLIC ACCOUNT**

Accounts for all public money received outside the Consolidated Fund, where the Government acts as a banker or trustee. This includes repayables such as Small Savings, Provident Funds, Reserve Funds, Deposits, Advances, Suspense, Miscellaneous items, Remittances between accounting entities and Cash Balance.

# FINANCE AND APPROPRIATION ACCOUNTS

## FINANCE ACCOUNTS

The Finance Accounts provide a detailed record of the Government's receipts and disbursements for the year, alongside financial outcomes from Revenue and Capital Accounts, Public Debt and Public Account balances. Presented in two volumes for enhanced clarity and informativeness:

- **Volume I** includes the Comptroller and Auditor General of India's certificate, summarized statements of receipts and disbursements and 'Notes to Finance Accounts' detailing significant accounting policies, comments on account quality and other pertinent observations.
- **Volume II** comprises detailed statements (Part-I) and appendices (Part-II).

## APPROPRIATION ACCOUNTS

The Appropriation Accounts complement the Finance Accounts by documenting grant-wise gross expenditure against provisions sanctioned by the State Legislature, accompanied by explanations for variances between actual expenditure and allocated funds. Pursuant to Article 204(3) of the Constitution of India, no funds may be withdrawn from the Consolidated Fund except through appropriations legislated by the Appropriation Act and Supplementary Acts under Articles 204 and 205.

# RECEIPTS AND DISBURSEMENTS IN THE YEAR 2024-25

(₹ in crore)

Component	Budget	Actuals
<b>Receipts</b>	2,69,928	2,49,191
A. Tax Revenue	1,60,264	1,41,515
B. Non-tax Revenue	10,576	5,972
C. Grants-in-Aid	30,333	20,188
D. Recovery of Loans & Advances	12	96
E. Capital Receipts	--	349
F. Net Borrowings & other Liabilities	68,743	81,071
<b>Expenditure</b>	2,69,928	2,49,191
A. Revenue expenditure	2,35,917	2,27,961
B. Capital expenditure	32,713	16,141
C. Loans and Advances disbursed	1,298	5,032
E. Inter State Settlement	--	57
<b>Deficit</b>		
A. Revenue Deficit	34,743	60,285
B. Fiscal Deficit	68,743	81,071

## SOURCES OF FUNDS

Funds for public expenditure are mainly sourced from the amounts credited as revenues of Government, Public Debt receipts, recovery of loans and advances under the Consolidated Fund of the State and from the net accretions to the Public Account minus increase in cash balance. Main segments of Government receipts are indicated in the diagram given below.

(₹ in crore)

Tax Revenue	141515	(56.79%)
Net Borrowings	78098	(31.34%)
Grants-in-aid	20188	(8.10%)
Non-tax Revenue	5972	(2.40%)
Net Public Account	2973	(1.19%)
Capital Receipts	349	(0.14%)
Recovery of Loans & Advances	96	(0.04%)

## APPLICATION OF FUNDS

The Government expenditure on various functions, programmes, schemes and objects of expenditure is incurred from the Consolidated Fund of the State with the prior approval of the State Legislature. The main segments of expenditure are indicated in diagram below. (₹ in crore)

Revenue Expenditure	227961	(91%)
Capital Expenditure	16141	(6%)
Loans & Advances disbursed	5032	(2%)
Inter State Settlement	37	(1%)

## WAYS AND MEANS ADVANCES

The Reserve Bank of India (RBI) extends the facility of Special Ways and Means Advances (Special Drawing Facility), Ways and Means Advances (WMA) and Overdraft (OD) facilities to enable State Governments to maintain their liquidity. These facilities are provided when there is a shortfall in the agreed minimum cash balance (₹1.94 crore) maintained with the RBI.

During 2024-25, the Government of Andhra Pradesh availed ₹42,004 crore Special Drawing Facility for 71 days and paid ₹188.82 crore as interest, ₹73,897 crore Ways and Means Advances for 179 days and paid ₹82.30 crore as interest and ₹56,631 crore Overdraft for 107 days and paid ₹32 crore as interest. The minimum cash balance was maintained by the Government of Andhra Pradesh with the Reserve Bank of India for only eight (08) days without availing any WMA from RBI.

The extent to which the Government of Andhra Pradesh availed SDF/WMA/OD along with interest paid during the year is given below:

(₹ in crore)

<b>Nomenclature</b>	<b>Amount Availed</b>	<b>Interest paid</b>
◆ Special Drawing Facility	42,004 (24%)	189
★ Ways and Means Advances	73,897 (43%)	82
◆ Overdraft	56,631 (33%)	32
<b>Total</b>	<b>1,72,532</b>	<b>303</b>

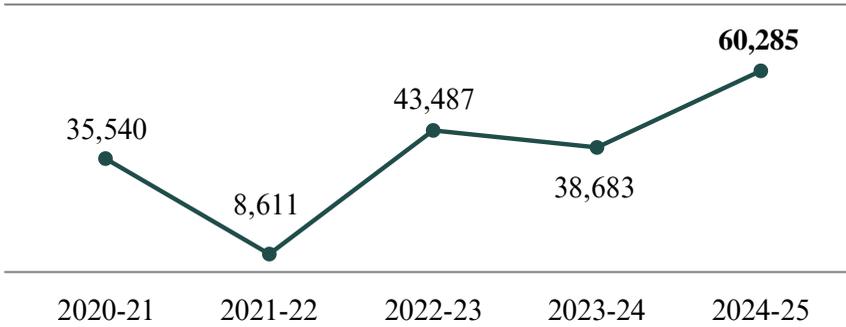
## FISCAL RESPONSIBILITY & BUDGET MANAGEMENT ACT, 2005

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. As per the Andhra Pradesh Fiscal Responsibility and Budget Management (FRBM) Act, as amended from time to time, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2024-25 against fiscal targets laid down in Act and Rules framed thereunder are as follows:

## REVENUE DEFICIT:

Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.

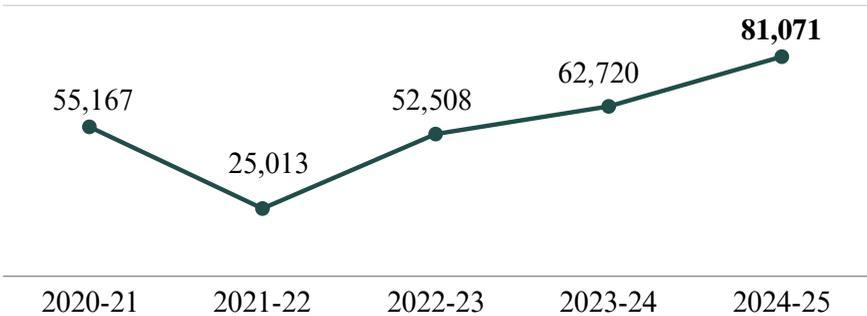
(₹ in crore)



## FISCAL DEFICIT:

This is 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.

(₹ in crore)



*The Government of Andhra Pradesh's Revenue Deficit has exceeded the FRBM target of 2.7 percent of GSDP, remaining at 3.75 percent even in 2024-25, forcing the State to borrow for day-to-day expenses and significantly increasing its interest burden. The Fiscal Deficit has stayed at 5.05 percent against the mandated 4 percent ceiling, driving total borrowings to ₹81,071 crore, crowding out capital expenditure, worsening debt sustainability, and severely restricting fiscal space for future growth.*

# RECEIPTS

The Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2024-25 were ₹2,49,191 crore against Budget estimate of ₹2,69,928 crore.

## COMPONENTS OF REVENUE RECEIPTS

The Revenue Receipts of the Government comprises 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.

### **NON-TAX REVENUE**

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

### **GRANTS-IN-AID**

Represent central assistance to the State Government from the Union Government. Includes 'Finance Commission Grants', 'External Grant Assistance' and 'Aid, Material & Equipment' received from Foreign Governments and channelised through the Union Government.

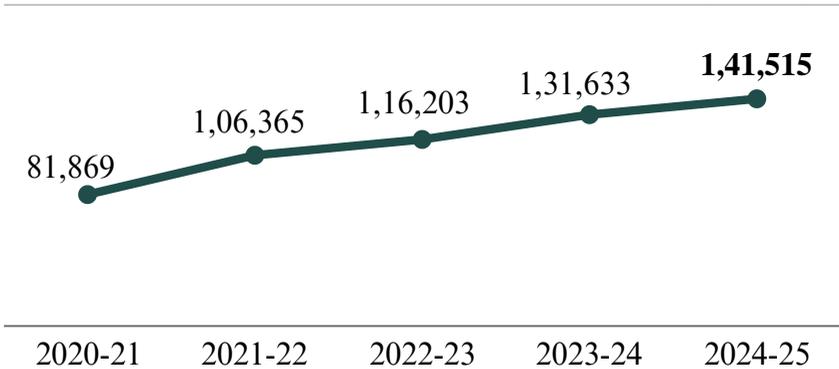
During the year, Tax Revenue was less than Budget Estimates (₹1,60,264 crore) by ₹18,748 crore.

**Tax Revenue : ₹ 1,41,515 crore**

<b>Components</b>	<i>(₹ in crore)</i>
Goods and Services Tax	47,853
Taxes on income and Expenditure	34,000
Taxes on Property, capital & other transactions	9,321
Taxes on Commodities & Services	50,341
<b>Total</b>	<b>1,41,515</b>

**Trend of Tax Revenue**

*(₹ in crore)*



The increase in Tax Revenues is mainly attributable to higher collections under, 'State Goods and Services Tax (SGST)', 'State Excise', 'State share of Union Taxes', etc.

The breakup of tax revenue is given below to highlight the various sources from which the Government earns its income through taxation.

## Tax Revenue

(₹ in crore)

45003

2023-24

47853

2024-25

### (a) Goods and Services Tax

• Central GST	15,211
• State GST	32,642

29892

2023-24

34000

2024-25

### (b) Taxes on Income and Expenditure

• Taxes on Income other than Corporation Tax	18,846
• Corporation Tax	14,778
• Other Taxes	376

9905

2023-24

9321

2024-25

### (c) Taxes on Property, Capital & Other Transactions

• Stamps & Registration	8,837
• Taxes on Immovable Property	288
• Land Revenue	196

46833

2023-24

50341

2024-25

### (d) Taxes on Commodities and Services Other than GST

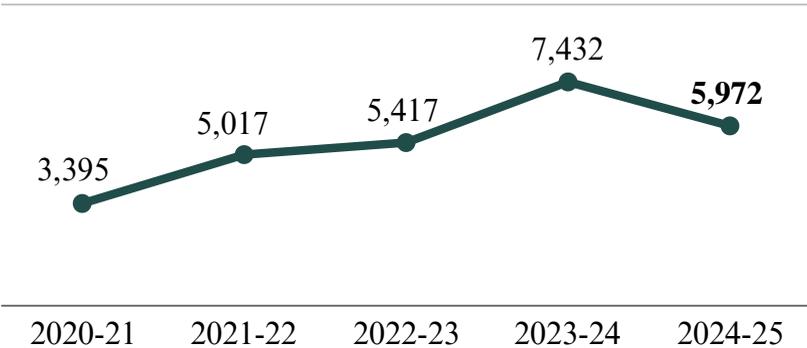
• State Excise	19,882
• Taxes on Sales, Trade etc.	17,423
• Duties on Electricity	5,309
• Taxes on Vehicles	4,482
• Customs	2,650
• Union Excise Duties	510
• Other Taxes	84
• Service Tax	01

During the year, Non-tax Revenue was less than Budget Estimates (₹10,576) by ₹4,603 crore.

### Non-Tax Revenue : ₹ 5,972 crore

Components	(₹ in crore)
Interest Receipts, Dividends and Profits	506
General Services	925
Social Services	288
Economic Services	4,253
<b>Total</b>	<b>5,972</b>

### Trend of Non-Tax Revenue (₹ in crore)



The decrease in Non-Tax Revenue is mainly attributable to lower collections under ‘Dividends and Profits’, ‘Interest Receipts’, ‘Forestry and Wild Life’, ‘Non-ferrous and Mining & Metallurgical Industries’, etc.

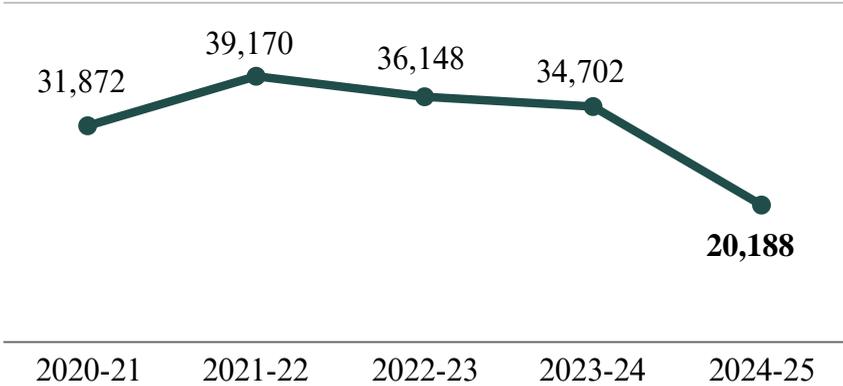
### GRANTS-IN-AID

Grants-in-aid represent assistance from the Government of India and comprises grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Niti Aayog and State Grants recommended by the Finance Commission.

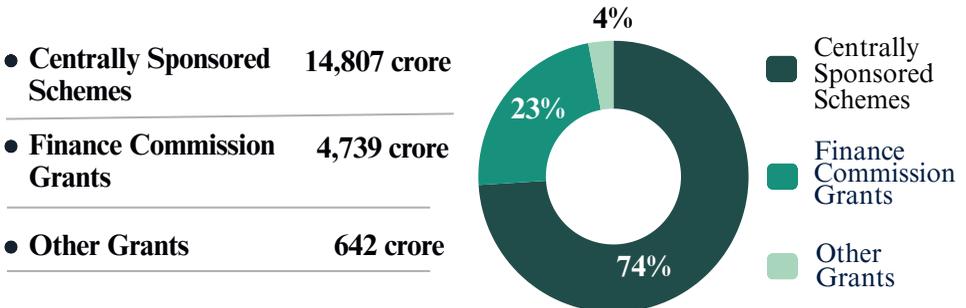
## Grants-in-aid : ₹ 20,188 crore

Components	(₹ in crore)
Grants-in-aid from Central Government	20,188
Aid Material and Equipment	0
<b>Total</b>	<b>20,188</b>

### Trend of Grants-in-aid from Central Government (₹ in crore)



The Grants-in-aid for the current year shows a decrease of ₹14,514 crore compared to the previous year. This change is primarily driven by decrease in Centrally Sponsored Schemes, Finance Commission Grants and Other Grants.



The table below provides the major scheme wise breakup of Grants-in-aid received from the Government of India for the current year.

### Centrally Sponsored Schemes

(₹ in crore)

Polavaram Project	₹5,512
MGNREGA	₹1,673
National Health Mission	₹1,319
Samagra Shiksha	₹1,240
SAKHAM Anganwadi & POSHAN	₹646
Pradhan Mantri Gram Sadak Yojana	₹434
Special Assistance for 7 Backward districts	₹350
PM Poshan	₹239
Scheme for Education of ST students	₹150
PM Awas Yojana - Gramin	₹114

### Finance Commission Grants

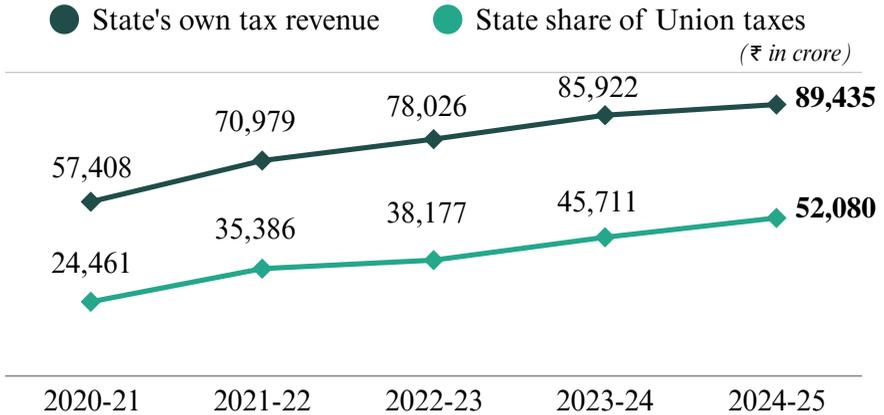
Grants for Local bodies	₹2,110
State Disaster Response Fund	₹1,036
State Disaster Mitigation Fund	₹741
Grants for Urban Local bodies	₹312

### Other Grants

Grants for State Roads	₹323
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## STATE'S OWN TAX AND STATE'S SHARE OF UNION TAXES

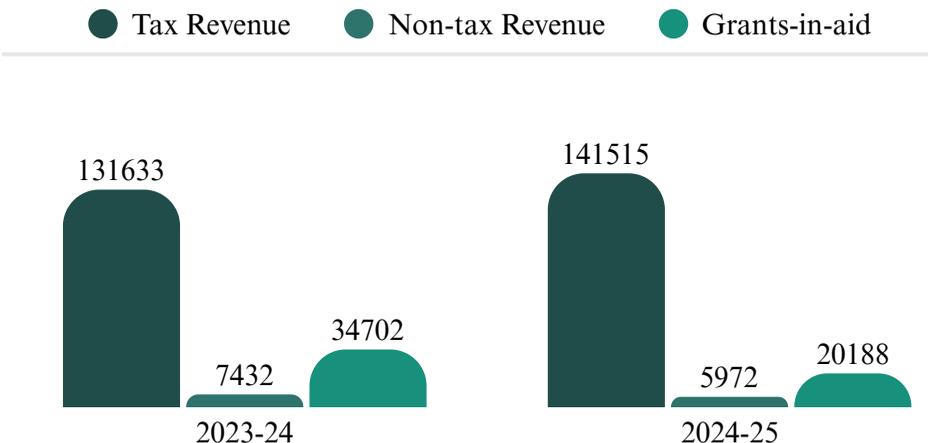
Tax Revenue of the State Government comes from two sources viz., State's own tax collections and devolution of Union taxes.



## TREND OF REVENUE RECEIPT

GSDP increased by 11.56 per cent in 2024-25 as compared to the previous year, whereas decrease in revenue receipts was 3.51 percent. The total tax revenue (including share of Union Taxes) increased by 7.50 percent, the non-tax revenue decreased by 19.64 percent and the grants-in-aid decreased by 41.82 percent as compared to the previous year.

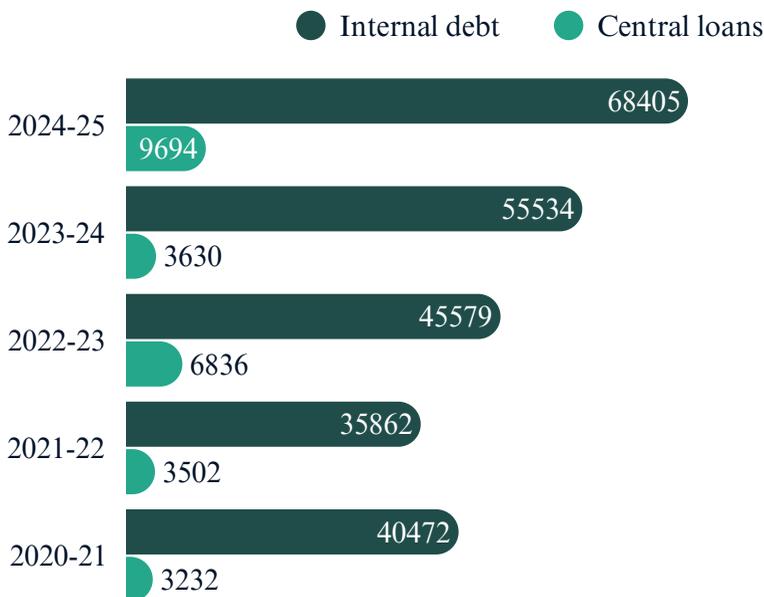
(₹ in crore)



## **PUBLIC DEBT**

Public debt of the Government represents its liabilities against the Consolidated Fund of the State and is categorized into Internal Debt and Central Loans. Internal Debt consists of borrowings raised domestically through instruments like fixed-tenure securities and treasury bills via auction. Central Loans are financial assistance provided by the Government of India to the State Government, often under concessional terms. This dual classification reflects the sources of government borrowing---market driven internal debt and government provided loans---which plays a key role in the State's fiscal management and financial obligations.

(₹ in crore)

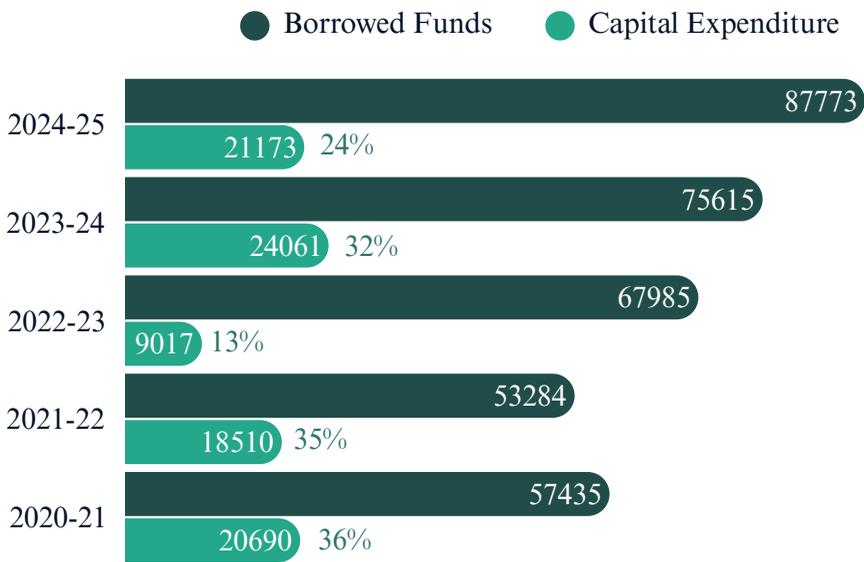


Against the total net receipts of ₹78,099 crore received during 2024-25 under 'Public Debt', the expenditure on Capital Account was ₹16,141 crore and Disbursements of Loans and Advances was ₹5,032 crore.

## **BORROWED FUNDS SPENT ON CAPITAL EXPENDITURE**

Governments typically incur fiscal deficits and borrow funds primarily for capital or asset creation, aiming to generate long-term income streams from these investments. It is essential that borrowed funds are fully utilized to finance productive capital assets, while revenue receipts should be reserved for servicing debt interest and principal repayments. The State Government of Andhra Pradesh, however spent only 24 *percent* of the borrowings of the current year (₹87,773 crore) on Capital Expenditure (₹21,173 crore)\*.

(₹ in crore)



Borrowed funds have risen by 16.08 *percent* in 2024-25 over the previous year, reflecting increased dependence on external financing. Simultaneously, capital expenditure has registered a decline of 12 *percent* during the same period, indicating a reduced emphasis on long-term asset creation. The persistent shift from capital to revenue expenditure, coupled with growing reliance on borrowings even for day-to-day requirements, raises serious concerns regarding fiscal discipline and long-term financial sustainability.

\*Includes Loans and Advances disbursed.

# EXPENDITURE

## INTRODUCTION

Expenditure is classified as Revenue Expenditure (which is used to meet 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).



### **General Services**

Justice, Police, Jail, PWD, Interest and Pension etc.



### **Social Services**

Health & Family Welfare, Water Supply, Welfare of SC,ST etc.,



### **Economic Services**

Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.,

## REVENUE EXPENDITURE

Revenue Expenditure of ₹2,27,961 crore for 2024-25 is less than Budget Estimates (₹2,91,639 crore) by ₹63,678 crore.

Sector wise expenditure	2024-25	2023-24
	<i>(₹ in crore)</i>	
<b>General Services</b>		
Organs of State	2,634	1,423
Fiscal Services	1,287	1,026
Interest Payments and Servicing of Debt	32,967	29,481
Administrative Services	16,004	14,391
Pensions and Miscellaneous General Services	26,954	21,697
<b>Social Services</b>		
Education, Sports, Art and Culture	28,558	26,588
Health and Family Welfare	13,948	13,721
Water Supply, Sanitation, Housing and Urban Development	6,030	14,394
Information and Broadcasting	200	253
Welfare of SC, ST, OBC, Minorities	36,059	36,081
Labour and Labour welfare	253	448
Social Welfare and Nutrition	14,725	5,848
Others	70	61
<b>Economic Services</b>		
Agriculture and Allied Activities	4,542	9,742
Rural Development	10,904	13,363
Irrigation and Flood Control	785	706
Energy	15,944	14,719
Industry and Minerals	231	534
Transport	4,782	5,164
Science, Technology and Environment	10	10
General Economic Services	11,048	2,775
<b>Grants-in-aid and Contributions</b>	24	21
<b>TOTAL</b>	<b>2,27,961</b>	<b>2,12,450</b>

## MAJOR COMPONENTS OF REVENUE EXPENDITURE

Sector-wise revenue expenditure is given below to provide a clear picture of how the Government spent its funds during 2024-25.

General Services		(₹ in crore)	
<b>(a) Organs of State</b>		<b>(d) Administrative Services</b>	
• Administration of Justice	1,435	• Police	7,511
• Elections	1,088	• Secretariat	5,462
• State Legislatures	76	• District Administration	1,432
• Council of Ministers	19	• Treasury and Accounts	389
• Governor	15	• Other Administrative Services	325
<b>(b) Fiscal Services</b>		• Public Works	315
• Taxes on sales, trade	456	• Vigilance	276
• Stamps & Registration	275	• Jails	221
• State Excise	261	• Public Service Commission	38
• Taxes on Vehicles	152	• Stationery and Printing	34
• Land Revenue	132	<b>(e) Pensions and Miscellaneous</b>	
• Other taxes and duties	10	• Pensions and Other Retirement Benefits	26,952
<b>(c) Interest Payments and Servicing of Debt</b>		• Miscellaneous	02
• Interest Payments	32,967		
• Appropriation for avoidance of debt	--		

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## Social Services

(₹ in crore)

### (a) Education, Sports & Culture

• General Education	27,633
• Technical Education	735
• Sports and Youth Services	115
• Art & Culture	74

### (b) Health and Family Welfare

• Medical and Public Health	10,225
• Family Welfare	3,723

### (c) Water Supply, Sanitation etc.,

• Urban Development	4,422
• Housing	983
• Water Supply and Sanitation	624

### (d) Information and Broadcasting

• Information and Publicity	200
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### (e) Welfare of STs, STs, OBCs and Minorities

• Welfare of STs, STs, OBCs and Minorities	36,059
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### (f) Labour and Labour Welfare

• Labour and Labour Welfare	253
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### (g) Social Welfare and Nutrition

• Nutrition	9,687
• Social Security and Welfare	2,601
• Natural Calamities	2,436

### (h) Others

• Other Social Services	14
• Secretariat-Social Services	57

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## Economic Services

(₹ in crore)

### (a) Agriculture and Allied Activities

• Crop Husbandry	1,829
• Animal Husbandry	1,079
• Agricultural Research	702
• Forestry and Wild life	317

• Co-operation	233
• Fisheries	129
• Food Storage	129
• Other Programmes	72
• Soil and Water Conservation	51

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**Economic Services(Contd.,)***(₹ in crore)*

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**(b) Rural Development**

• Other Rural Development Programmes	8,510
• Rural Employment	2,216
• Special Programmes	161
• Land Reforms	15

**(c) Irrigation and Flood Control**

• Major Irrigation	676
• Minor Irrigation	103
• Command Area Development	05

**(d) Energy**

• Power	15,944
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**(e) Industry and Minerals**

• Industries	302
• Village and Small Industries	241
• Non-Ferrous Mining	48

**(f) Science, Technology and Environment**

• Scientific Research	06
• Ecology and Environment	04

**(g) Transport**

• Road Transport	3,843
• Roads & Bridges	856
• Civil Aviation	69
• Ports and Light Houses	12
• Inland Water Transport	02

**(h) General Economic Services**

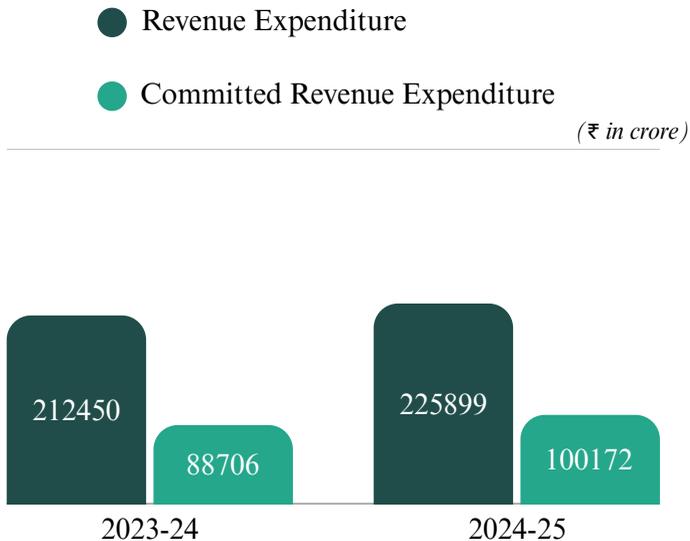
• Secretariat	9,896
• Civil Supplies	973
• Census, Surveys	112
• Foreign Trade and Export	24
• Other services	22
• Tourism	21

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## **COMMITTED EXPENDITURE**

Expenditure on Salaries, Interest Payments and Pensions is treated as Committed Expenditure. Around 44.34 *percent* of the revenue expenditure was incurred on committed expenses such as Salaries (₹41,899 crore), Interest Payments (₹31,321 crore) and Pensions (₹26,952 crore) which is the committed liability of the State Government.

The position of Committed Revenue Expenditure as compared to the previous year is given below:



The committed revenue expenditure increased by 13 *percent* from 2023-24 to 2024-25 while revenue expenditure registered a growth of 6 *percent* during the same period.

## CAPITAL EXPENDITURE

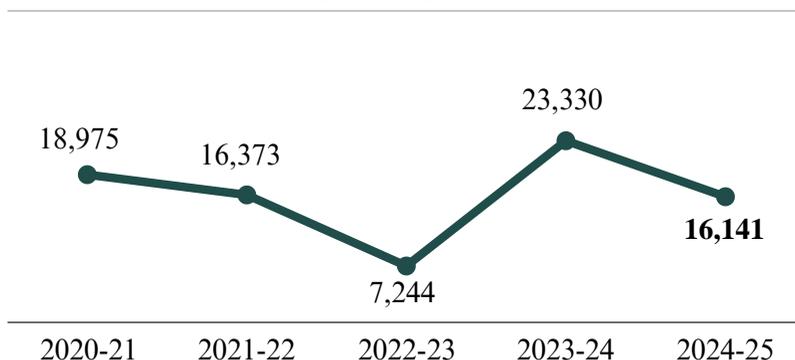
Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2024-25 amounting to ₹16,141 crore was less than the Budget Estimates (₹45,382 crore) by ₹29,241 crore. Capital Expenditure was 1 percent of GSDP (₹16,06,109 crore).

(₹ in crore)

YEAR	Budget Estimate	Actual Expenditure	% of GSDP*
2020-21	29,908	18,975	1.92
2021-22	18,529	16,373	1.66
2022-23	30,679	7,244	0.55
2023-24	27,308	23,330	1.62
2024-25	45,382	16,141	1.00

### Trend of Capital Expenditure

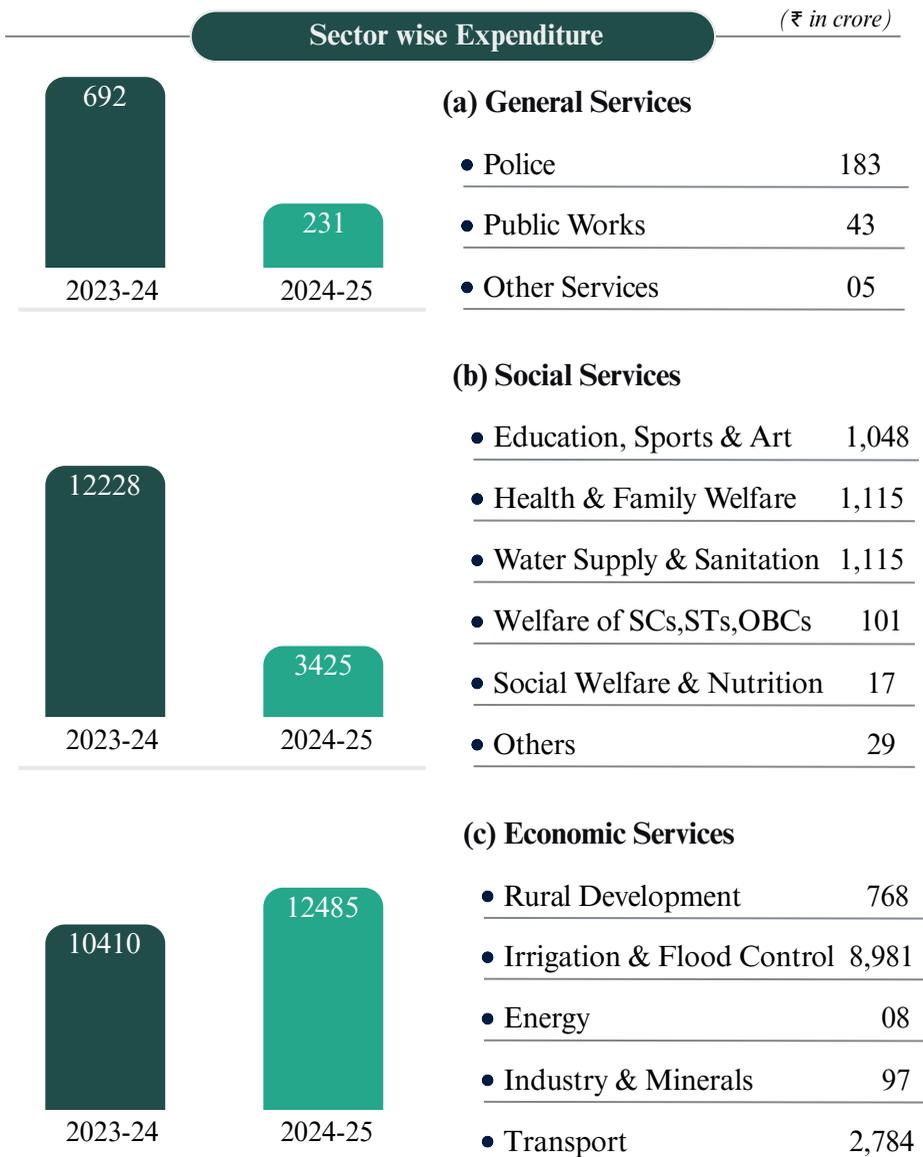
(₹ in crore)



\*GSDP figure of ₹16,06,109 crore adopted as provided in the Andhra Pradesh Socio-Economic survey.

## SECTORAL DISTRIBUTION OF CAPITAL EXPENDITURE

The sectoral distribution of capital expenditure for the year 2024-25 is illustrated below:



## GRANTS-IN-AID GIVEN BY THE GOVERNMENT

Grants-in-aid are crucial financial transfers from the Central and State Governments to various local bodies such as Panchayats, Municipalities and Municipal Corporations, as well as to other Government-controlled entities like Public Sector Undertakings (PSUs). These allocations enable decentralized governance, facilitate public service delivery and support developmental activities at different administrative levels.

Grants-in-aid given to local bodies, Autonomous Bodies, etc., decreased by ₹10,620 crore from ₹91,248 crore in 2023-24 to ₹80,628 crore in 2024-25. Details of Grants-in-aid released during the year which includes Central share is given below :

(₹ in crore)

NAME	2024-25	2023-24
Panchayati Raj Institutions	17,750	18,248
Urban Local Bodies	2,230	4,795
Public Sector Undertakings	21,882	37,919
Autonomous Bodies	3,834	4,402
Non-Governmental Organisations	766	950
Individuals	18,264	10,202
Others	15,902	14,732
<b>Total</b>	<b>80,628</b>	<b>91,248</b>

## APPROPRIATION ACCOUNTS

The Appropriation Accounts present the accounts of the sums expended in a particular financial year compared with the sums specified in the schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India by the State Legislature. 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. In 2024-25, the budget of the Government of Andhra Pradesh has 40 'Voted Grants' and 13 'Charged Appropriations'.

### SUMMARY OF APPROPRIATION ACCOUNTS

(₹ in crore)

Nature of Expenditure	Original Grant	Supplementary Grant	Total Budget	Expenditure
<b>Revenue</b>				
Voted	2,15,930	40,542	2,56,472	2,02,921
Charged	29,181	5,986	35,167	33,598
<b>Capital</b>				
Voted	33,087	12,256	45,344	17,531
Charged	25	13	39	12
<b>Public Debt</b>				
Charged	24,499	1,75,500	1,99,999	1,82,207
<b>Loans and Advances</b>				
Voted	1,298	5,508	6,807	5,090

## TOTAL SAVINGS

(₹ in crore)

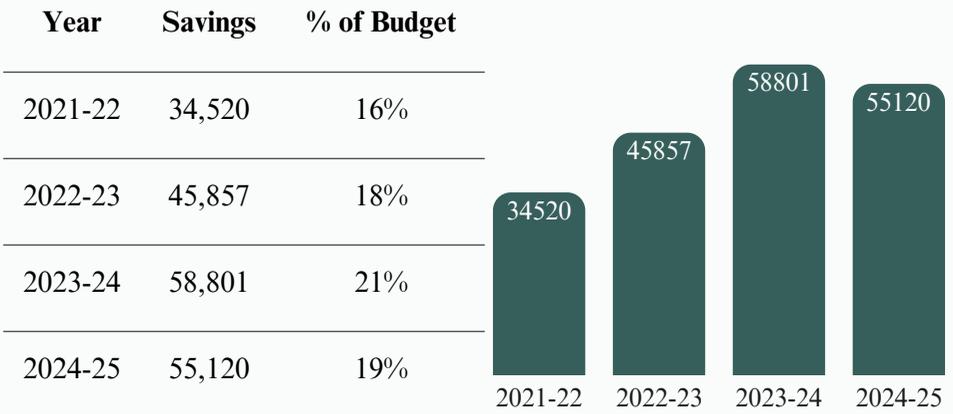
Name	Budget	Expenditure	Savings	% of Budget
Revenue	2,91,639	2,36,519	55,120	19%
Capital	45,383	17,543	27,840	61%
Public Debt	1,99,999	1,82,207	17,792	9%
Loans and advances	6,807	5,090	1,717	25%
<b>Total</b>	<b>5,43,828</b>	<b>4,41,359</b>	<b>1,02,469</b>	<b>19%</b>

The budget preparation by the Government of Andhra Pradesh for the fiscal year 2024-25 reveals significant deficiencies, primarily due to heavy savings observed across various grants and appropriations. Despite the allocations made, substantial amounts of budgeted funds remained unutilized, indicating an overestimation of expenditure requirements or delays in fund deployment. This recurrent under-utilization suggests a lack of precise forecasting and planning in budget formulation, impacting the efficient allocation and utilization of resources for developmental and administrative purposes. Such heavy savings constrain optimal financial management and highlight the need for a more realistic and outcome-based budgeting approach to improve fiscal discipline and service delivery.

## THE SAVINGS TREND OVER THE PAST FOUR YEARS

### Revenue

(₹ in crore)



## Capital

(₹ in crore)

Year	Savings	% of Budget
2021-22	18,655	51%
2022-23	28,921	76%
2023-24	27,012	53%
2024-25	27,840	61%

A bar chart showing the savings for capital over four years. The bars are dark green with white outlines. The values are: 18655 for 2021-22, 28921 for 2022-23, 27012 for 2023-24, and 27840 for 2024-25. The bars are positioned to the right of the table, with the x-axis labels below them.

## Public Debt

(₹ in crore)

Year	Savings	% of Budget
2021-22	1,461	1%
2022-23	12,665	9%
2023-24	29,155	18%
2024-25	17,792	9%

A bar chart showing the savings for public debt over four years. The bars are dark green with white outlines. The values are: 1461 for 2021-22, 12665 for 2022-23, 29155 for 2023-24, and 17792 for 2024-25. The bars are positioned to the right of the table, with the x-axis labels below them.

## SIGNIFICANT SAVINGS

Savings under a grant indicate either non-implementation/slow implementation of certain schemes/programs or inaccurate budget estimation. In this financial year, all the grants or appropriations have significant savings. Total savings under such grants or appropriations where percentage of saving is 50 percent and above against the total budget provision is given below.

(₹ in crore)

Grants No.	Sum of Total Grant	Expenditure	Savings
I to XL	65,025	21,291	43,734

The persistent savings under Administration of Justice, Transport Administration, Fiscal Administration and Planning, Higher Education, Sports and Youth Services, Information and Public Relations, Minorities Welfare, Forest, Science and Technology, Tourism, Art and Culture and Information Technology and Electronics reflects tardy implementation of schemes envisaged in the Budget, either due to conservative approach of the Government to attain the fiscal indicator targets or due to inaccuracy in budget estimation process of the Departments.

In view of huge savings in 2024-25, 10 out of 40 Grants show utilization of less than or equal to 50 percent of the budget allocation as given below.

(₹ in crore)

GRANT	Budget	Expenditure	% of Budget
Major & Medium Irrigation	24,051	10,155	42%
Agriculture	10,801	2,816	26%
Rural Development	8,530	3,754	44%
Industries & Commerce	4,669	1,467	31%
Housing	4,593	1,551	34%
Labour, Factories & Boilers	707	291	41%
IT, Electronics & Communication	503	78	15%
Transport Administration	372	152	40%
Tourism, Art & Culture	255	51	20%
Administration of Religious Endowments	234	113	48%

## SUPPLEMENTARY PROVISION OF FUNDS

During 2024-25, additional funds were provided by supplementary grant/appropriation aggregating ₹2,39,807 crore in anticipation of expenditure yet to be incurred, in accordance with Article 205 of the Constitution of India. Out of the total additional funds provided, supplementary provision of funds aggregating to ₹15,961 crore could have been avoided.

Some of the Voted Grants having savings 50 percent against original provision where supplementary provision could have been avoided are given below:

(₹ in crore)

Grant	Original Grant	Expenditure	Supplementary grant
Agriculture(R)	9,653	2,655	948
Municipal Administration(C)	4,421	581	836
Energy(L)	611	00	808
Rural Development(R)	7,950	3,655	481
Panchayati Raj(C)	3,489	1,675	325
Women & Child(C)	62	17	152
Major & Medium Irrigation(R)	2,165	735	128
Tourism & Art(C)	79	05	116
Higher Education(C)	235	37	97
Industries & Commerce(R)	2,185	772	58

(R=Revenue, C=Capital, L=Loans)

## ASSETS AND LIABILITIES

### ◆ Assets

The existing form of accounts does 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.

### ◆ Investment in PSUs

Total Investments as Share Capital in non-financial Public Sector Undertakings (PSUs) stood at ₹13,017 crore (includes un-apportioned amount) by the end of 2024-25. An amount of ₹495 crore (3.80 per cent of investment) was received as dividends.

### ◆ Cash balance investments

The Government had invested an amount of ₹4,079 crore in 14 day Treasury bills in 2024-25 and rediscounted bills worth ₹4,079 crore leaving a closing cash balance investment of ₹Nil at the end of the year.



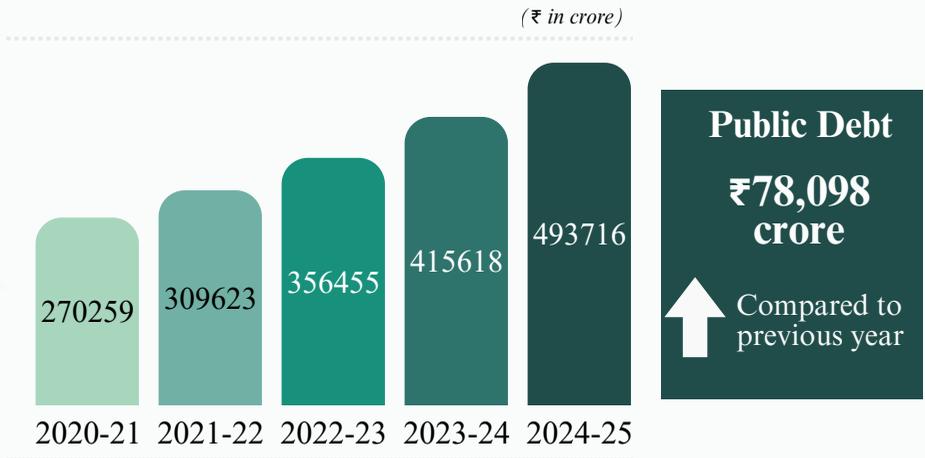
**Investments during 2024-25**



**Investments during 2023-24**

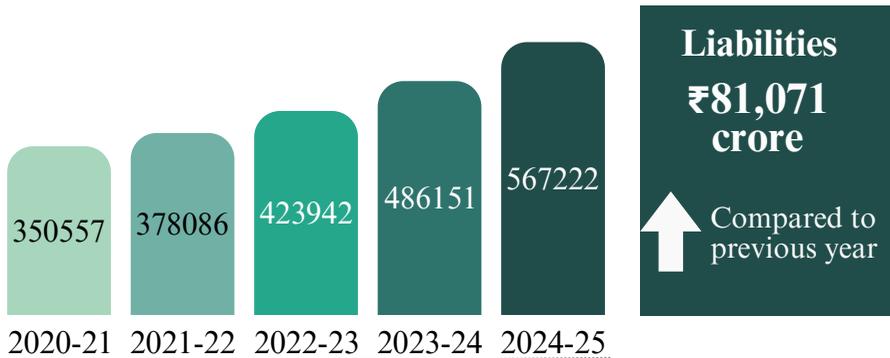
## DEBT AND LIABILITIES

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 ₹58,805 crore for 2024-25 for Andhra Pradesh. Against this, Government of Andhra Pradesh availed open market borrowings totaling ₹57,478 crore during 2024-25.



Details of the total liabilities of the State Government are as under:

(₹ in crore)



Public Debt and Other Liabilities showed a net increase of ₹81,071 crore (16.68 per cent) over the previous year due to raising of new long-term market loans.

## **GUARANTEES**

In addition to directly raising loans, State Governments also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Cooperative 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 (payable in case of default of payment of loans, and interest thereon by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., for whom the guarantee was extended) and are projected outside the State Budget.

The State also receives loans and grants from international agencies. Individual Scheme wise details are furnished in the Appendix-IV of the Finance Accounts - Volume-II. The major receipts during the year are given below.

(₹ in crore)

Aid/Agency	Scheme	Grant	Loan
ADB	Visakhapatnam-Chennai industrial corridor	...	204
	AP Rural Roads Projects	...	91
GODE	AP Climate Resilient Zero Budget Natural Farming Project	0.90	204
	Indo-German Global Academy for Agroecology Research and Learning	35	...
GOJP	A.P. Irrigation and Livelihood Improvement Project (Phase 2)	...	07
IBRD	A.P Health Systems Strengthening Project	...	100
	Supporting Andhra's Learning Transformation Operation	...	389

ADB - Asian Development Bank

GODE - Germany

GOJP - Government of Japan

IBRD - International Bank for Reconstruction and Development

# KEY ACCOUNTING DISCLOSURES

### Operation of Unauthorized Heads

During the year 2024-25, the State Government of Andhra Pradesh provided budget provisions for three sub-heads (38, 39, 88) under one unauthorized minor head (191) under the Capital section and incurred expenditure of ₹ 6.25 crore under only one sub-head (38). The matter has been brought to the notice of the State government for rectification.

### Misclassification of Expenditure

During 2024–25, the Government of Andhra Pradesh incorrectly budgeted and/or recorded expenditure amounting to ₹2,677.64 crore under inappropriate account heads. Of this, ₹1,981.54 crore towards High Tension Current Consumption (HTCC) charges was booked under Detailed Head 270 – Minor Works and ₹695.66 crore was misclassified under the Capital Section, including annuity payments to landowners under the Land Pooling Scheme (LPS) and ₹0.44 crore as Grants-in-Aid. Conversely, ₹28.72 crore relating to the purchase of office hardware, peripherals, furniture and fixtures was booked under the Revenue Section instead of the Capital Section. Based on the nature of expenditure, overall revenue expenditure was understated by ₹2,648.92 crore.

## Unadjusted Abstract Contingent (AC) Bills

Out of 1,230 AC bills amounting to ₹919.65 crore drawn during the year 2024-25, 36 AC bills amounting to ₹9.71 crore (1.06 per cent) were drawn in March 2025. DCC Bills in respect of a total of 202 AC bills amounting to ₹527.70 crore due for adjustment as on 31 March 2025 were not received. Details of unadjusted AC bills due for adjustments are given below:

Year	Number of unadjusted AC Bills / e-Advance/ Temporary Advance	Amount (₹ in crore)
Upto 2023-24	85	275.29
2024-25	117	252.41
<b>Total</b>	<b>202</b>	<b>527.70</b>

## Interest Adjustment

Interest shortfalls on specified funds/deposits in 2024-25 is given below:  
(₹ in crore)

Funds/Deposits	Interest due	Interest paid	Interest short paid
Defined Contribution Pension Scheme for Government Employees	121.56	---	121.56
State Disaster Response Fund	295.05	---	295.05
Zilla Parishad Provident Fund	395.23	---	395.23

## **Expenditure on Centrally Sponsored Schemes**

During the year, the total expenditure booked under Centrally Sponsored Schemes and Central Sector Schemes, as on 31 March 2025, is ₹17,557.54 crore (Revenue Expenditure ₹12,313.49 crore and Capital Expenditure ₹5,244.06 crore), which includes expenditure out of Central Assistance (₹11,408.97 crore) and State share (₹6,148.58 crore) for Centrally Sponsored Schemes and Central Sector Schemes.

## **Off-Budget Borrowings**

The State Government of Andhra Pradesh had not disclosed the quantum or source of proposed off-budget borrowings (OBBs) in its Budget. The State Government informed the Ministry of Finance, Government of India that no off-budget liabilities were availed during 2024-25 and there was an amount of ₹27,241.99 crore outstanding by the end of 31 March 2025.

In the year 2024-25, as per scrutiny of vouchers, the State Government of Andhra Pradesh budgeted and expended an amount of ₹7,240.57 crore towards Assistance / Grants on account of Off Budget borrowings. The State Government has been asked to confirm the same.

## **Transfer of Funds to Single Nodal Agency**

As per the SNA 01 report from the PFMS, the State Government received ₹9,870.04 crore being Central share during the year in its Treasury account. As on 31 March 2025, the Government transferred ₹9,071.38 crore of the Central share and ₹5,772.56 crore of the State share to the SNAs. The Total amount ₹14,997.65 crore (including top up of ₹153.71 crore) was transferred to SNAs through GIA bills only.

Detailed vouchers and supporting documents of actual expenditure were not received by AG office from the SNAs.

As per the SNA 01 report, ₹1,821.65 crore was lying unspent in the bank accounts of SNAs as on 31 March 2025. Government of Andhra Pradesh has informed that the State Government is depending on the PFMS portal for the details of SNA balances and no amount from SNA has been surrendered to the Government of India in the FY 2024-25.

## **National Pension System**

During the year 2024-25, total contribution to the NPS was ₹4,716.33 crore (Employees' contribution of ₹2,068.64 crore and Government's contribution of ₹ 2,647.68 crore).

An amount of ₹5,294.85 crore was transferred to NSDL during 2024-25 which included an amount of ₹578.51 crore which was transferred in excess to NSDL during the year. The cash balance of the Government was understated by this amount. There was a balance of ₹104.18 crore and an un-apportioned amount of ₹365.43 crore as on 31 March 2025.

## **Building & Construction Workers Welfare Cess**

The Government of India enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) to levy and collect cess for providing benefits to the workers. During the year 2024-25, the Government collected ₹112.63 crore (2023-24: ₹132.75 crore) as Labour Cess under Major Head 8443 and transferred/expended ₹1.94 crore (2023-24: ₹2.25 crore) to the Building and Other Construction Workers Welfare Board. Thus, there was an un-transferred amount of ₹110.69 crore during the year and ₹793.35 crore under the Major head 8443 as on 31 March 2025 (₹682.66 crore as on 31 March 2024). Since this is a pass through transaction, the cash balance of the Government was overstated by ₹110.69 crore during the year.

## Accounting of Loan Disbursements

As stipulated under Article 221(i) and (ii) of APFC, Volume I, sanction orders for loans must explicitly include essential terms and conditions to ensure transparency and accountability. However, fresh loans amounting to ₹5,005.31 crore were disbursed in FY 2024-25 without incorporating terms and conditions.

Of these, on scrutiny of vouchers, it was observed that loans sanctioned to two entities were disbursed directly to the third parties (Housing and Urban Development Corporation Limited (HUDCO)- ₹248.25 crore, Andhra Pradesh State Financial Services Corporation Limited (APSFSCCL) - ₹3.53 crore) instead of the following sanctioned borrowers, which was not in conformity with the said Rules:

Sl.No	Name of Entity	Amount (₹ in crore)
1	Nellore Municipal Corporation (NMC)	123.79
2	AP Housing Corporation Limited (APHCL)	127.99
<b>TOTAL</b>		<b>251.78</b>

Further, in accordance with Government Orders, institutional loans were routed through Personal Deposit (PD) Accounts to the extent of ₹1,580.78 crore. This procedure of depositing the loans to PD Accounts overstates the liability under Public Account if the amount remains unspent by the end of the year.

## Improper Remittance of ₹862 crores

In March 2025, the Government of Andhra Pradesh requested AP State Beverages Corporation Limited (APSBCL) to remit the special margin money to the Consolidated Fund of the State under the Receipt Head of account to enable the State Government to distribute the NTR Bharosa Pension to beneficiaries whose distribution falls under ambit of APSBCL. The Government has sought this as a short-term loan from APSCSCL (Andhra Pradesh State Civil Supplies Corporation Limited) to meet the immediate requirement for payment of NTR Bharosa Pension. The Government will reimburse the loan amount as expenditure of April 2025 from regular Budget.

APSBCL has, therefore, remitted a single challan of ₹862 crore stating the purpose as “Transfer of Special margin to Consolidate Fund of State towards NTR Bharosa Pension Scheme” under MH 0039-State Excise. This amount should not have been remitted under Tax Revenue.

## Impact on State Finances

The impact on State finances on account of misclassifications/non-compliance to statutory provisions on the states’ finances as brought out in the preceding paras is tabulated below.

	(₹ in crore)
Understatement of Revenue Expenditure	3,375.60
Overstatement of Capital Expenditure	2,648.92
Understatement of Cash Balance	95.70

### Disclaimer

The data and information presented in this publication are drawn from the certified Finance Accounts and Appropriation Accounts of the Government of Andhra Pradesh. While every effort has been made to ensure accuracy and completeness, the official accounts shall prevail in the event of any discrepancy.

This publication is intended solely for informational and oversight purposes and does not substitute or modify the legally binding Finance and Appropriation Accounts as laid before the State Legislature. The Office of the Principal Accountant General (Accounts and Entitlements), Andhra Pradesh, disclaims any liability for errors, omissions, or consequences arising from the use of this publication.





# COMPTROLLER AND AUDITOR GENERAL OF INDIA

## 2025

