

Preface

Government commercial concerns, accounts of which are subject to audit by the Comptroller and Auditor General of India (CAG), fall under the following categories:

- (i) Government companies,
 - (ii) Statutory corporations and
 - (iii) Departmentally managed commercial undertakings.
2. This Report deals with the results of audit of Government companies and Statutory corporations and has been prepared for submission to Government of Andhra Pradesh under Section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, as amended from time to time. Results of audit relating to departmentally managed commercial undertakings are presented separately.
 3. Audit of accounts of Government companies is conducted by the CAG under the provision of Section 619 of the Companies Act, 1956.
 4. In respect of Andhra Pradesh State Road Transport Corporation, which is a Statutory corporation, the CAG is sole auditor. The CAG also audits accounts of Andhra Pradesh Electricity Regulatory Commission, as sole auditor. As per The State Financial Corporation (Amendment) Act, 2000, the CAG has right to conduct audit of accounts of Andhra Pradesh State Financial Corporation in addition to audit conducted by Chartered Accountants appointed by the Corporation out of panel of auditors approved by the Reserve Bank of India. In respect of Andhra Pradesh State Warehousing Corporation, the CAG has right to conduct audit of accounts in addition to audit conducted by the Chartered Accountant appointed by State Government in consultation with the CAG. The Audit Reports on the annual accounts of all these corporations/ Commission are forwarded separately to State Government.
 5. Cases mentioned in this Report are those which came to notice in the course of audit during the year 2012-13 as well as those which came to notice in earlier years but were not dealt with in the previous Reports. Matters relating to the period subsequent to 2012-13 have also been included, wherever necessary.
 6. Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.