



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
Public Sector Undertakings
For the year ended March 2014**



**Government of Andhra Pradesh
Report No. 4 of 2015**

**Report of the
Comptroller and Auditor General of India
on
Public Sector Undertakings**

for the year ended March 2014

**Government of Andhra Pradesh
*Report No. 4 of 2015***

TABLE OF CONTENTS		
SUBJECT	Reference to	
	Paragraph(s)	Page(s)
Preface	...	v
Overview		vii-xiii
Chapter I		
OVERVIEW OF STATE PUBLIC SECTOR UNDERTAKINGS		
Introduction	1.1	1
Audit Mandate	1.2	1
Investment in State PSUs	1.3	2-3
Budgetary outgo, grants/ subsidies, guarantees, loans and outstanding dues from Government of Andhra Pradesh	1.4	4-5
Reconciliation with Finance Accounts	1.5	5-6
Arrears in finalization of Annual Accounts	1.6	6-7
Performance of PSUs	1.7	7-8
Internal Audit and Internal Control System	1.8	8-9
Comments of the CAG of India on Accounts of PSUs	1.9	9-10
Placement of SARs	1.10	11
Follow up action on Audit Reports	1.11	11-13
Chapter II		
PERFORMANCE AUDIT RELATING TO GOVERNMENT COMPANIES		
Underground Mining Activities in The Singareni Collieries Company Limited	2.1	17-42
Activities of Andhra Pradesh State Agro Industries Development Corporation Limited	2.2	43-57
Chapter III		
COMPLIANCE AUDIT OBSERVATIONS		
GOVERNMENT COMPANIES		
The Singareni Collieries Company Limited		
Award and execution of Overburden removal contracts in Open cast mines	3.1	61-70
Transmission Corporation of Andhra Pradesh Limited and Distribution Companies of Andhra Pradesh Limited.		
Power Purchases from Independent Power Producers and Suppliers	3.2	70-77

TABLE OF CONTENTS		
SUBJECT	Reference to	
	Paragraph(s)	Page(s)
Central Power Distribution Company of Andhra Pradesh Limited & Northern Power Distribution Company of Andhra Pradesh Limited		
Tariff subsidy to agriculture consumption	3.3	78-82
Andhra Pradesh Power Generation Corporation Limited		
Selection of costlier pipes for raw water pipeline of KTPP Stage-II resulted in avoidable excess cost of ₹ 43.30 crore	3.4	82-83
Andhra Pradesh State Road Transport Corporation		
Out of court settlement of dues resulted in undue favour to an Agent by ₹ 42.40 lakh	3.5	84-85
ANNEXURES		89-133
GLOSSARY		137-139

List of Annexures		
Annexure No.	Subject	Page(s)
1.1	Statement showing particulars of up-to-date capital, loans outstanding and manpower as on 31 March 2014 in respect of Government Companies and Statutory Corporations	89-97
1.2	Statement showing summarized financial results of Government Companies and Statutory Corporations which have finalised their accounts for 2013-14	98-100
1.3	Statement showing summarized financial results of Government Companies and Statutory Corporations whose accounts for 2013-14 are in arrears	101-107
1.4	Statement showing grants and subsidy received/ receivable, guarantees received, waiver of dues, loans written off and loans converted into equity during the year and guarantee commitment at the end of March 2014	108-112
1.5	Statement showing investments made by State Government in PSUs whose accounts are in arrears	113-118
1.6	Statement showing the financial position of Statutory Corporations which have finalised accounts for the year 2013-14	119
1.7	Statement showing the financial position of Statutory Corporations whose accounts for the year 2013-14 are in arrears	120
1.8	Statement showing the working results of Statutory Corporations which have finalised accounts for the year 2013-14	121
1.9	Statement showing the working results of Statutory Corporations whose accounts for the year 2013-14 are in arrears	122
1.10	Statement showing reviews/ paragraphs for which explanatory notes were not received (as on 30 September 2014)	123
1.11	Statement showing department-wise break-up of outstanding Inspection Reports (IRs)	124
1.12	Statement showing the department-wise reviews and draft paragraphs to which replies are awaited	125
2.1	Statement showing mines where mining was in excess of EC capacity	126
2.2	Non-achievement of Targets	127

List of Annexures		
Annexure No.	Subject	Page(s)
3.1	Additional burden due to OBR backlog	128
3.2	Statement showing the quantity of Topsoil/ Sub-soil/ Loose soil which does not require drilling and blasting	129-130
3.3	Statement showing the details of equipment to be deployed as per order and actually deployed in eight OBR works	131
3.4	Details of re-award of unexecuted quantities and extra expenditure	132
3.5	Statement showing the OBR work orders awarded where the depth is more than 100 meters or lead is more than 4 KMs	133