

Table of Contents

	Paragraph	Page No.
Preface		vii
Executive summary		ix
Chapter 1 - Finances of the State Government		
Profile of West Bengal		1
Gross State Domestic Product (GSDP)		1
Introduction	1.1	1
<i>Summary of Fiscal Transactions in 2013-14</i>	1.1.1	2
<i>Review of the fiscal situation</i>	1.1.2	3
<i>Budget Estimates vis-à-vis Actuals</i>	1.1.3	4
Resources of the State	1.2	5
<i>Resources of the State as per Annual Finance Accounts</i>	1.2.1	5
<i>Funds transferred by Central Government to State Implementing Agencies outside the State Budget</i>	1.2.2	6
Revenue Receipts	1.3	7
<i>State's own resources</i>	1.3.1	9
<i>Grants-in-Aid from Government of India</i>	1.3.2	11
<i>Central Tax Transfers</i>	1.3.3	12
<i>Optimisation of the 13th FC grants</i>	1.3.4	12
Capital Receipts	1.4	14
Public Accounts Receipts	1.5	14
Application of resources	1.6	15
<i>Growth and composition of expenditure</i>	1.6.1	15
<i>Revenue Expenditure</i>	1.6.2	17
<i>Committed Expenditure</i>	1.6.3	17
<i>Financial assistance by State Government to local bodies and other institutions</i>	1.6.4	21
Quality of Expenditure	1.7	22
<i>Adequacy of Public Expenditure</i>	1.7.1	22
<i>Efficiency of Expenditure Use</i>	1.7.2	24

	Paragraph	Page No.
Financial Analysis of Government Expenditure and Investments	1.8	25
<i>Financial Results of Irrigation Works</i>	1.8.1	25
<i>Incomplete projects</i>	1.8.2	26
<i>Investment and returns</i>	1.8.3	26
<i>Loans and advances by State Government</i>	1.8.4	27
<i>Cash balances and investment of cash balances</i>	1.8.5	28
Assets and Liabilities	1.9	29
<i>Growth and composition of Assets and Liabilities</i>	1.9.1	29
<i>Fiscal Liabilities</i>	1.9.2	29
<i>Transactions under Reserve Funds</i>	1.9.3	30
<i>Contingent liabilities</i>	1.9.4	31
<i>Analysis of Borrowings of Government</i>	1.9.5	32
Debt Management	1.10	33
<i>Debt consolidation and relief facility</i>	1.10.1	34
Fiscal Imbalances	1.11	34
<i>Trends in Deficits</i>	1.11.1	35
<i>Components of Fiscal Deficit and its financing pattern</i>	1.11.2	35
<i>Quality of Deficit/Surplus</i>	1.11.3	36
Conclusion and Recommendations	1.12	37
Chapter 2 - Financial Management and Budgetary Control		
Introduction	2.1	39
Summary of Appropriation Accounts	2.2	39
Financial Accountability and Budget Management	2.3	40
<i>Appropriation vis-à-vis Allocative Priorities</i>	2.3.1	40
<i>Persistent Savings</i>	2.3.2	40
<i>Expenditure in excess of budget provisions during 2013-14 requiring regularisation</i>	2.3.3	41
<i>Excess expenditure of previous years requiring regularisation</i>	2.3.4	42
<i>Significant excess expenditure</i>	2.3.5	42
<i>Expenditure without Provision</i>	2.3.6	42
<i>Unnecessary/Excessive/Inadequate supplementary provision</i>	2.3.7	43

	Paragraph	Page No.
<i>Excessive/unnecessary re-appropriation of funds</i>	2.3.8	43
<i>Anticipated savings not surrendered</i>	2.3.9	43
<i>Rush of expenditure</i>	2.3.10	44
<i>New Service/New Instrument of Service</i>	2.3.11	44
Advances from Contingency Fund	2.4	44
Misclassification of Expenditure	2.5	45
Outcome of Inspection of Treasuries	2.6	45
Review of budgetary process and financial management	2.7	46
<i>Budget preparation process</i>	2.7.1	47
<i>Budget Management in selected grants</i>	2.7.2	48
Drawal of funds for works expenditure by-passing Treasury checks	2.8	51
Conclusion and Recommendation	2.9	53
Chapter 3 - Financial Reporting		
Delay in furnishing Utilisation Certificates	3.1	55
Non-submission/delay in submission of accounts by ULBs/PRIIs	3.2	57
Delays in Submission of Accounts/Audit Reports of Autonomous Bodies	3.3	58
Departmental Commercial Undertakings	3.4	59
Misappropriations, losses, defalcations, etc.	3.5	60
Non-reconciliation of Departmental figures	3.6	61
<i>Un-reconciled receipts / expenditure</i>	3.6.1	61
<i>Pendency in submission of Detailed Contingent Bills against Abstract Contingent Bills</i>	3.6.2	61
<i>Personal Deposit Accounts</i>	3.6.3	64
<i>Bookings under Minor Head 800: Other Receipts and 800: Other Expenditure</i>	3.6.4	66
<i>Analysis of balances of Suspense and Remittance</i>	3.6.5	67
Conclusion and Recommendations	3.7	68

Appendices

Appendix No.	Description	Page
Appendices to Chapter 1		
1.1	A brief profile of West Bengal	71
1.2	Structure and Form of Government Accounts	72
1.3	Methodology adopted for the Assessment of Fiscal Position	74
1.4	Part A : Abstract of Receipts and Disbursements for the year 2013-2014	75
	Part B : Summarised financial position of the Government of West Bengal as on 31 March 2014	78
1.5	Extracts from the West Bengal Fiscal Responsibility and Budget Management Act, 2010	79
1.6	Actuals <i>vis-a-vis</i> Budget Estimates 2013-14	82
1.7	Time series data on the State Government finances	83
1.8	Failure of GoWB to avail 13th FC Grant by GoI during 2011-14	85
1.9	Analysis of reasons for short-release of State Specific (13th FC) Grant by GoI during 2011-14	86
1.10	Statement showing Government investment in Companies/ Corporations with negative net-worth	87
Appendices to Chapter 2		
2.1	Statement of various grants/appropriations where savings were more than 20 <i>per cent</i> of the total provision	89
2.2	Statement showing cases where persistent savings were noticed from 2009-10 to 2013-14	91
2.3	Statement of various grants/appropriations where expenditure exceeded budget provision either by more than ₹ 1 crore or by more than 20 <i>per cent</i> of total provision	94
2.4	Expenditure incurred without provision during 2013-14	95
2.5	Statement showing cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary	97
2.6	Statement of various grants/appropriation where supplementary provision proved insufficient by more than ₹ 1 crore each	99

2.7	Excessive/unnecessary/insufficient re-appropriation of funds	100
2.8	Statement of various grants/appropriations in which savings occurred but no part of which had been surrendered	103
2.9	Statement showing details of cases of short-surrender (by ₹ 1 crore and above) leading to savings	106
2.10	Statement showing cases of surrender of funds in excess of ₹ 1 crore on the last working day of March 2014 or thereafter	107
2.11	Statement showing cases which satisfied the criteria laid down for treatment of New Service/New Instrument of Service but were not treated as such	108
2.12	Statement of unclaimed deposits not lapsed and transferred to Government Account	109
2.13	Statement showing unnecessary supplementary provision in Grant No. 6 where savings occurred out of the original grant	110
2.14	Cases of drawal of funds for capital works without furnishing sub-vouchers on the strength of Finance Department order of February 2013	111
Appendices to Chapter 3		
3.1	Statement showing non-submission of Utilisation Certificates under West Bengal Panchayat Act	114
3.2	Statement showing names of bodies and authorities (other than PRIs), the accounts of which had not been received	116
3.3	Unutilised Government grants as of March 2012/2013 (Other than PRIs)	120
3.4	Statement showing unutilised Government grants for the year 2012-13 (in respect of Zilla Parishads and Panchayat Samitis)	122
3.5	Performance of Autonomous Bodies (Submission of Accounts, issue & laying of SARs U/S 19)	126

3.6	Statement showing Performance of Autonomous Bodies (Submission of Accounts & issue of SARs U/S 20)	129
3.7	Statement of finalisation of accounts and Government investment in departmentally managed Commercial and Quasi-Commercial undertakings	131
3.8	Department wise/duration-wise break-up of the cases of misappropriation, defalcation, etc. (Cases where final action was pending at the end of March 2014)	133
3.9	Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/ loss of Government material	134
3.10	Statement showing the discrepancies between PLA cash book and treasury pass book in respect of closing balances as on 31 March 2014	135
3.11	Statement showing details of fund not at all utilised by the DDOs as on 31 March 2014	136
4.1	Glossary of terms	137
	List of Abbreviations used	139