

सत्यमेव जयते

Accounts at a Glance 2015-16



Government of West Bengal

Accounts at a Glance

2015-16

Government of West Bengal

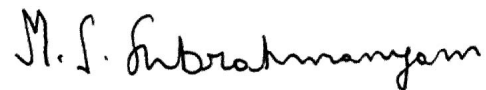
PREFACE

This is the eighteenth issue of our annual publication ‘**Accounts at a Glance**’ in respect of Government of West Bengal.

The Annual Accounts of the State Government are prepared by the Accountant General (Accounts and Entitlement), West Bengal on behalf of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consist of Finance Accounts and Appropriation Accounts. Finance Accounts are summarised statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

The **Accounts at a Glance** provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts and gives an insight into the financial position of the State. The information is presented through brief explanations, statements and graphs. It has been our endeavour to rely on the figures in the certified Finance Accounts and Appropriation Accounts, and in case of difference the figures depicted in the Finance and Appropriation Accounts may be treated as correct.

We look forward to suggestions that would help us improve this publication.



(M. S. SUBRAHMANYAM)
ACCOUNTANT GENERAL (A&E)
WEST BENGAL

KOLKATA
Dated: 16 March 2017

TABLE OF CONTENTS

Subject		Page
Chapter I	Overview	
1.1	Introduction	1
1.2	Structure of Accounts	1
1.3	Finance Accounts and Appropriation Accounts	3
1.4	Sources and Application of Funds	5
1.5	Highlights of Accounts	8
1.6	What the Deficits and Surpluses indicate	9
Chapter II	Receipts	
2.1	Introduction	12
2.2	Revenue Receipts	12
2.3	Trend of Receipts	14
2.4	Performance of State's Own Tax Revenue Collection	16
2.5	Efficiency of Tax Collection	16
2.6	Trend in State's Share of Union Taxes & Duties	17
2.7	Grants-in-Aid	17
2.8	Public Debt	18
Chapter III	Expenditure	
3.1	Introduction	19
3.2	Revenue Expenditure	19
3.3	Capital Expenditure	21
Chapter IV	Plan & Non-Plan Expenditure	
4.1	Distribution of Expenditure	23
4.2	Plan Expenditure	23
4.3	Non-Plan Expenditure	25
4.4	Committed Expenditure	25
Chapter V	Appropriation Accounts	
5.1	Summary of Appropriation Accounts	27
5.2	Trend of Savings/Excess during the past five years	27
5.3	Significant Savings	28
Chapter VI	Assets and Liabilities	
6.1	Assets	29
6.2	Debt and Liabilities	29
6.3	Guarantees	30
Chapter VII	Other Items	
7.1	Internal Debt	31
7.2	Loans and Advances by the State Government	31
7.3	Financial Assistance to Local Bodies and Others	31
7.4	Cash Balance and Investment of Cash Balance	32
7.5	Reconciliation of Accounts	32
7.6	Submission of Accounts by Treasuries	32
7.7	Abstract Contingent Bills and Detailed Contingent Bills	32
7.8	Rush of Expenditure	33
7.9	Commitments on account of Incomplete Capital Works	33

CHAPTER – I

OVERVIEW

1.1. Introduction

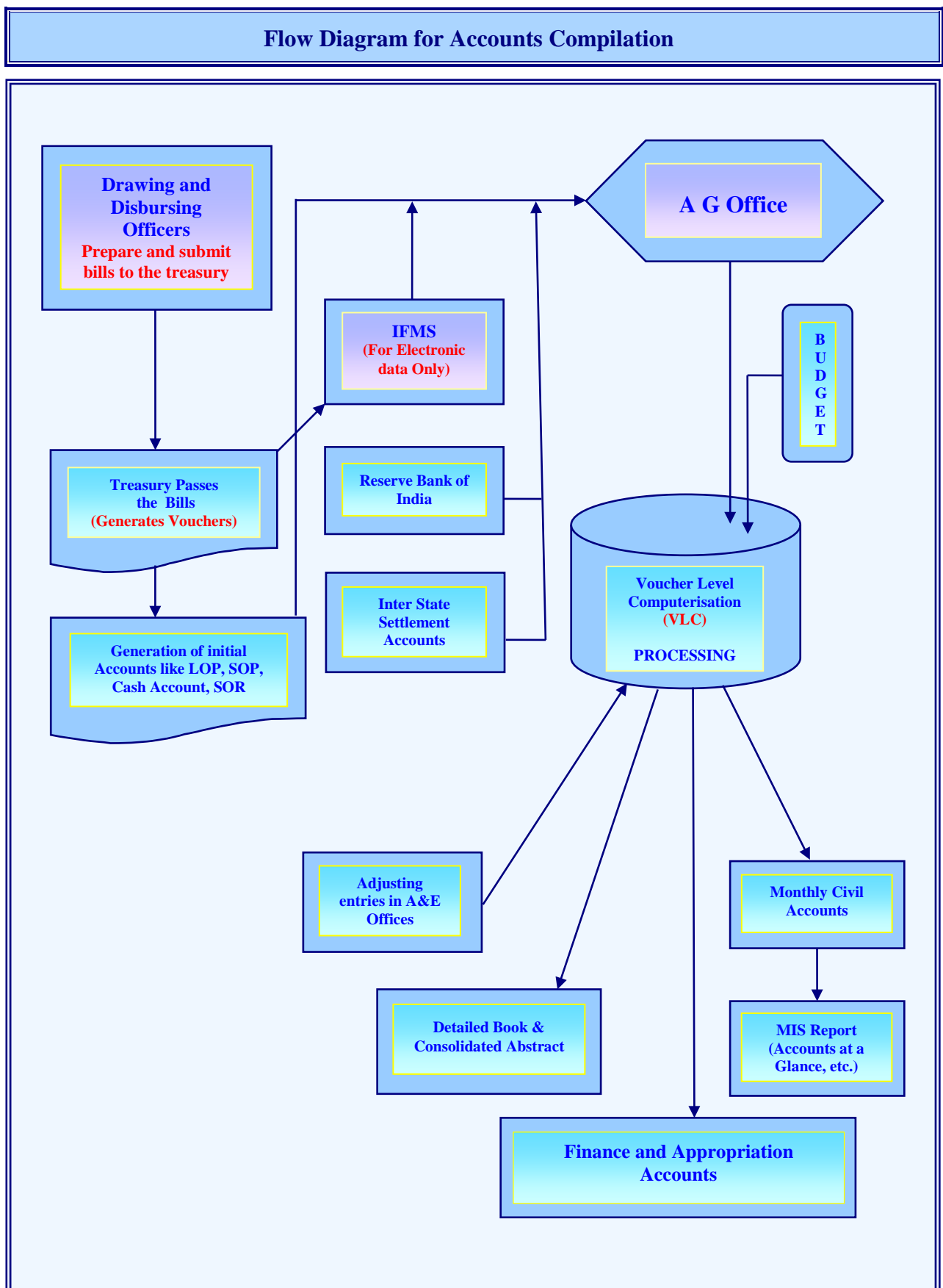
The Accountant General (Accounts and Entitlement), West Bengal compiles the accounts of receipts and disbursements of the Government of West Bengal. This compilation is based on the initial accounts rendered by the State Treasuries, Pay and Accounts Offices (PAOs) located in Kolkata and New Delhi, intimations (known as Clearance Memos) of the Reserve Bank of India, information on Inter State Settlement Suspense Accounts (known as Inward/ Outward Settlement Accounts). From 1 April 2015, Government of West Bengal has done away with the Letter of Credit (LOC) system and submission of accounts by Works and Forest Divisions. Based on these, the Accountant General (A&E) furnishes the Monthly Civil Accounts to the Finance Department. At the end of the year, after audit by the Principal Accountant General (General & Social Sector Audit), West Bengal and certification by the Comptroller and Auditor General of India, the Accountant General (A&E) submits the Finance Accounts and the Appropriation Accounts of the Government of West Bengal to the Governor, Finance Department and State Legislature.

1.2. Structure of Accounts

1.2.1. Government Accounts are kept in three parts:

Part I Consolidated Fund	Comprises all Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II Contingency Fund	The Contingency Fund is in the nature of imprest, intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III Public Account	All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. It Comprises Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of accounts.

1.2.2. Compilation of Accounts



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

The Finance Accounts prepared in two volumes depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, accounts of Public Debt and Liabilities and Assets as worked out from the balances as recorded in the accounts. Volume-I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, Guide to the Finance Accounts, 13 Statements which give summarised information of the financial position and transactions of the State Government for the current Financial Year and “Notes to Accounts” containing summary of significant accounting policies, quality of accounts and other items. Volume-II contains 9 detailed statements (Part - I) and 12 appendices (Part - II).

Receipts and disbursements of the State Government as depicted in the Finance Accounts for 2015-16 are detailed below:

(₹ in Crore)

Receipts (Total : 1,32,108)	Revenue (Total : 1,09,732)	Tax Revenue	79,656
		Non Tax Revenue	1,862
		Grants-in-Aid	28,214
	Capital (Total : 22,376)	Capital Receipts	653
		Recovery of Loans and Advances	832
		Borrowing and other Liabilities (*)	20,891

Disbursements (Total : 1,32,108)	Revenue	1,18,827
	Capital	12,420
	Loans and Advances	861

(*) **Borrowings and other Liabilities** : Net (Receipt - Disbursements) of Public Debt excluding temporary loans (net under Minor Head “107-Loans from SBI and other Banks” below Major Head “6003”) + Net of Contingency Fund + Net (Receipt - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

This year, the Government of India directly released ₹2,858.72 crore (₹921.43 crore last year) to State Implementing Agencies and NGOs for implementation of various schemes and programmes. Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. Such direct transfers of Central Scheme Funds are now exhibited in Appendix VI of Volume-II of the Finance Accounts.

1.3.2. Appropriation Accounts

Under the Constitution, 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 expenditure requires to be “voted”. The Budget of the West Bengal Government has 66 Voted Grants and 01 Charged Appropriation in the current year.

The gross Budget provision for Expenditure (charged and voted) for 2015-16 was ₹1,92,448.89 crore and reduction of expenditure (recoveries) of ₹3,863.90 crore. Against this, the actual gross expenditure was ₹1,55,937.05 crore and reduction of expenditure was ₹3,649.77 crore, resulting in net savings of ₹36,511.84 Crore (19 per cent) in respect of expenditure and net saving of ₹214.13 Crore (6 per cent) on reduction of expenditure. The gross expenditure includes ₹1,810.66 crore drawn on Abstract Contingent (AC) Bills (no. of AC Bills 2,800), which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2015-16, ₹1,717.00 crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year. However, details of such transfers, if any, and outstanding balances in individual PD accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.4. Sources and Application of Funds

1.4.1. Ways and Means Advances and Overdraft

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) and Overdraft (OD) facilities to enable State Governments to tide over temporary shortfalls in their Cash Balances. OD facilities are provided when there is a shortfall in the agreed minimum cash balance (₹2.48 crore) maintained with the RBI. During 2015-16, the Government of West Bengal resorted to Special Ways and Means Advances for 67 days, Normal Ways and Means Advances for 07 days and OD facilities for 04 days.

1.4.2. Funds flow statement

The State had a Revenue Deficit of ₹9,095.06 crore and a Fiscal Deficit of ₹20,890.69 crore representing 0.87 per cent and 2.01 per cent of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 16 per cent of total expenditure. This deficit was met solely from Public Debt (₹25,568.29 crore). Around 44 per cent of the Revenue Receipts (₹1,09,732.21 crore) of the State Government was spent on committed expenditure like Salaries (₹12,188.30 crore), Interest payment (₹23,114.92 crore) and Pensions (₹12,860.31 crore).

¹ Except where indicated otherwise, Gross State Domestic Product (GSDP) figure for 2015-16 used in this publication is adopted from the Economic Review published by Government of West Bengal, as the same is not available from the website of the Ministry of Statistics and Programme Implementation.

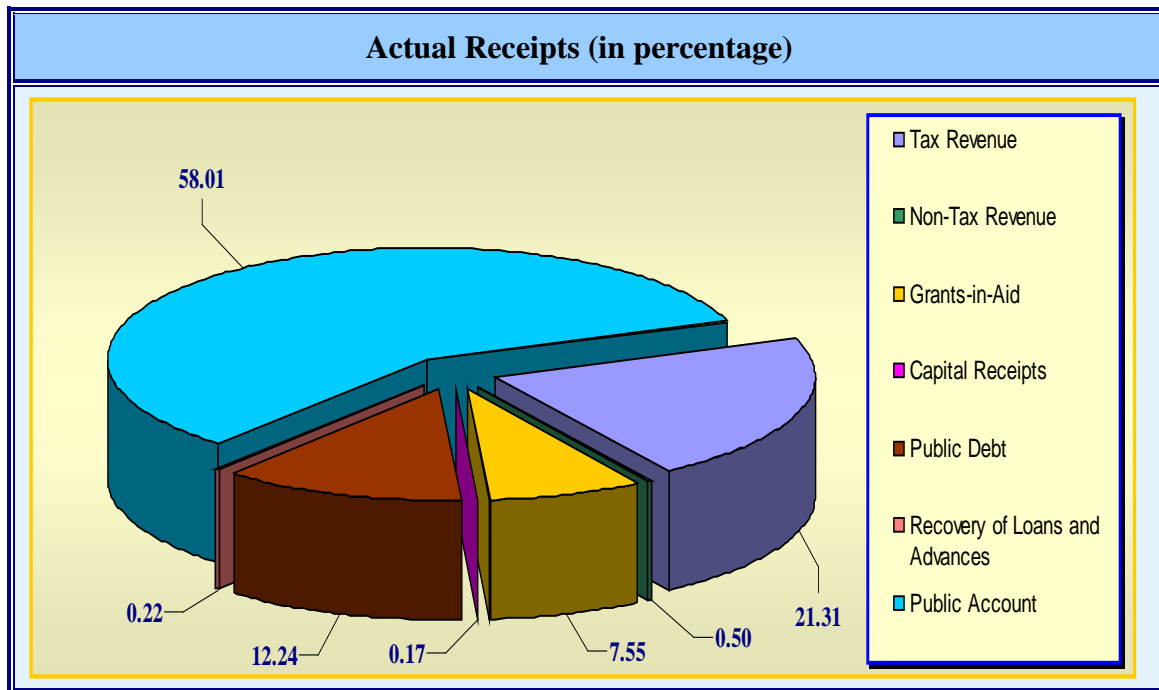
Sources and Application of Funds

(₹ in Crore)

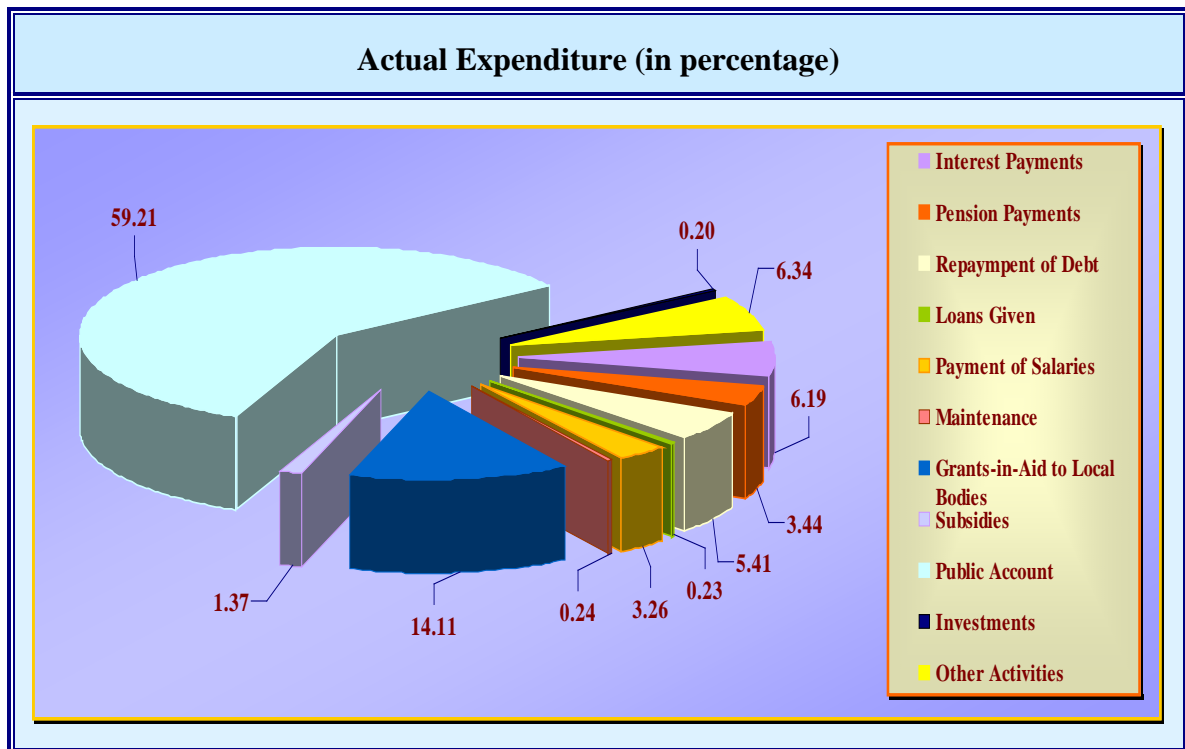
	PARTICULARS	AMOUNT
SOURCES	Opening Cash Balance as on 1.4.2015	(-) 326
	Revenue Receipts	1,09,732
	Capital Receipts	653
	Recovery of Loans & Advances	832
	Public Debt	45,747
	Small Savings Provident Fund & Others	3,216
	Reserves & Sinking Funds	2,051
	Deposits Received	49,747
	Civil Advances Repaid	0
	Suspense Account	1,61,874
	Remittances	(-) 3
	Contingency Fund	0
	TOTAL	3,73,523
APPLICATION	Revenue Expenditure	1,18,827
	Capital Expenditure	12,420
	Loans Given	861
	Repayment of Public Debt	20,179
	Small Savings, Provident Fund & Others	2,475
	Reserves & Sinking Funds	3,312
	Deposits Spent	46,331
	Civil Advances Given	0
	Suspense Account	1,67,180
	Remittances	1,732
	Closing Cash Balance as on 31.03.2016	206
	TOTAL	3,73,523

Note: The Suspense Accounts include ₹71,405 crore invested in Treasury Bills which is shown on the 'Application' side, and ₹67,277 crore worth of Treasury Bills sold through the RBI which is shown on the 'Sources' side.

1.4.3. Where each rupee of receipt came from



1.4.4. Where each rupee of expenditure went



1.5. Highlights of Accounts

Sl. No.	Components	Budget Estimate 2015-16	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP ¹
		(₹ in Crore)			
1.	Tax Revenue ²	78,463	79,656	102	8
2.	Non-Tax Revenue	2,380	1,862	78	0
3.	Grants-in-Aid & Contributions	32,257	28,214	87	3
4.	Revenue Receipts (1 + 2 + 3)	1,13,100	1,09,732	97	11
5.	Capital Receipts [#]	0	653	*	0
6.	Recovery of Loans and Advances	397	832	210	0
7.	Borrowings & Other Liabilities ³	15,954	20,891	131	2
8.	Total Capital Receipts (5 + 6 + 7)	16,351	22,376	137	2
9.	Total Receipts (4 + 8)	1,29,451	1,32,108	102	13
10.	Non-Plan Expenditure ⁴	80,146	80,641	101	8
11.	NPE on Revenue Account	79,372	80,466	101	8
12.	NPE on Interest Payments out of 11	23,673	23,115	98	2
13.	NPE on Capital Accounts	774	175	23	0
14.	Plan Expenditure ⁴	49,334	51,468	104	5
15.	PE on Revenue Account	33,729	38,362	114	4
16.	PE on Capital Account	15,605	13,106	84	1
17.	Total Expenditure (10 + 14)	1,29,480	1,32,108	102	13
18.	Revenue Expenditure (11 + 15)	1,13,100	1,18,827	105	11
19.	Total Capital Expenditure (13 + 16) ⁵	16,380	13,281	81	1
20.	Revenue Deficit(4-18)	0	9,095	*	1
21.	Fiscal Deficit (4 + 5 + 6 - 17)	15,983	20,891	131	2

¹ GSDP figure of West Bengal for 2015-16 is not available from the Ministry of Statistics and Programme Implementation. The advance figure of GSDP of West Bengal for 2015-16 was ₹10,39,923 crore as per Economic Review published by Government of West Bengal.

² Includes State's Share of net proceeds of Taxes of ₹ 37,164 crore.

³ Borrowings and other Liabilities: Net (Receipts - Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipt - Disbursements) of Public Account + Net of Opening and Closing Balance.

⁴ Expenditure includes ₹175 crore under Non-Plan and ₹686 crore under Plan which pertains to Loans and Advances.

⁵ Expenditure on Capital Account includes Capital Expenditure (₹12,420 crore) and Loans and Advances disbursed (₹861 crore).

[#] The information regarding State Governments right to receive such amount as State's own Capital Receipt was not made available to this office.

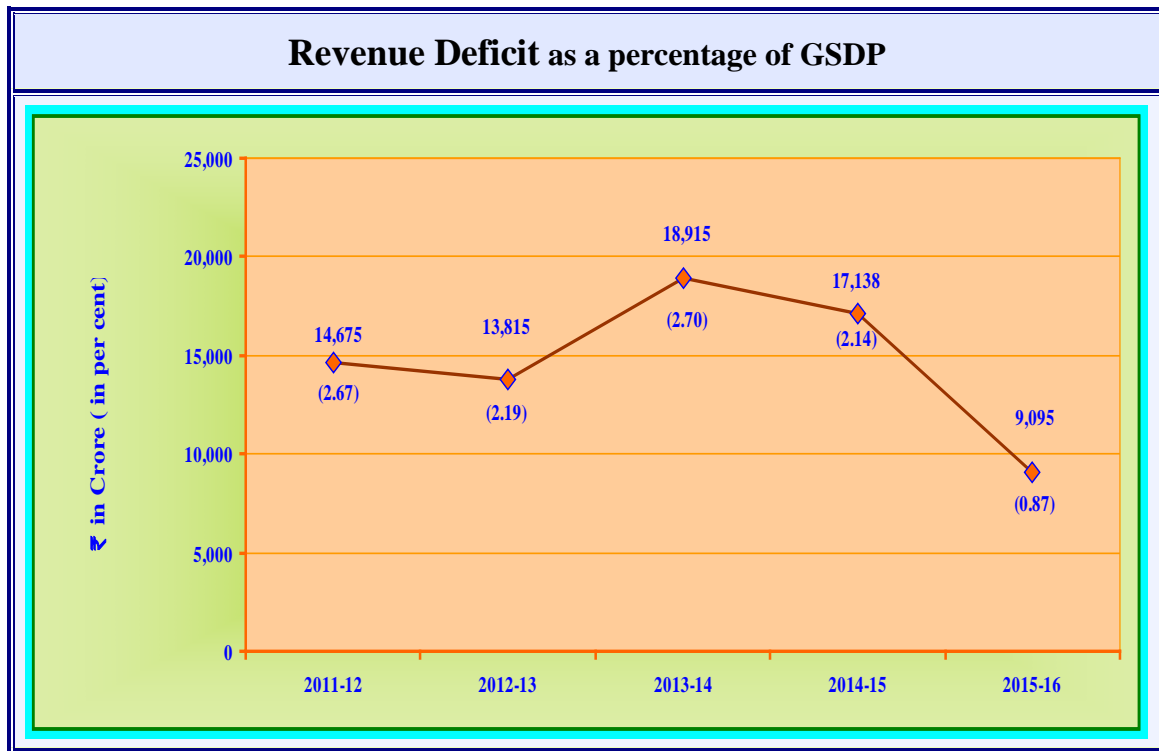
* Denotes figure more than four digit / infinite.

1.6. What the Deficits and Surpluses indicate

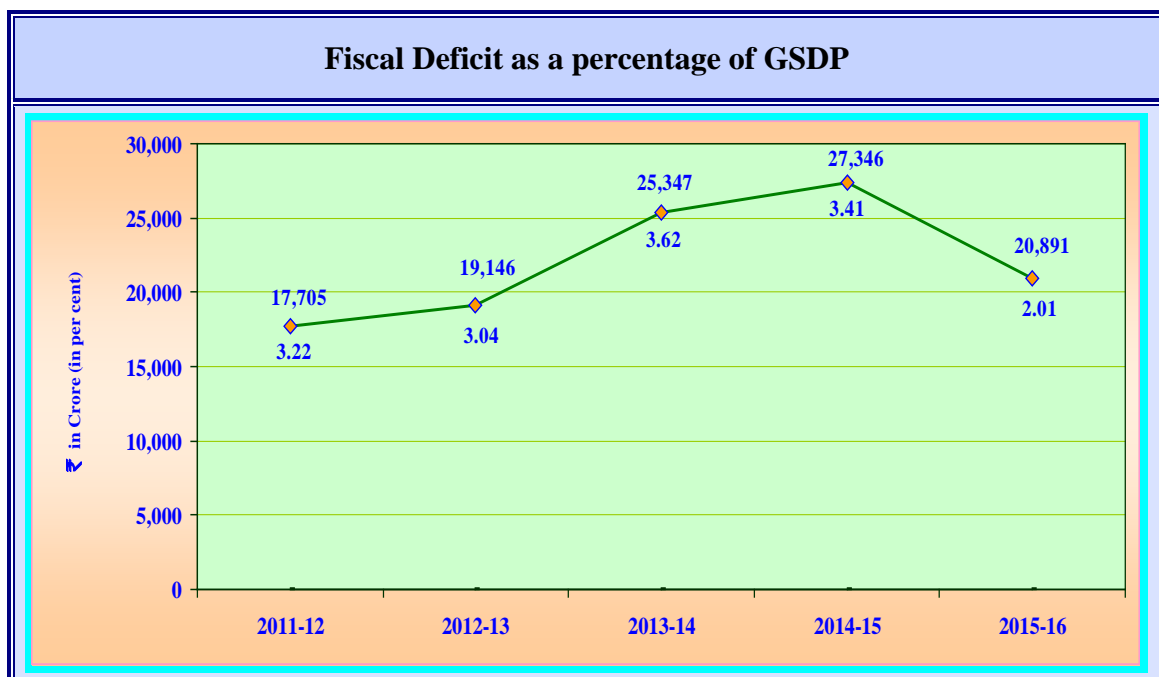
Deficit	Refers to the Gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to 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.

Fiscal Deficits, Revenue Deficits and Public Debt are the main fiscal indicators for evaluating the fiscal position of a Government. It appears that the Revenue Deficit of the Government of West Bengal as on 31 March 2016 is ₹9,095 crore.

1.6.1. Trend of Revenue Deficit / GSDP



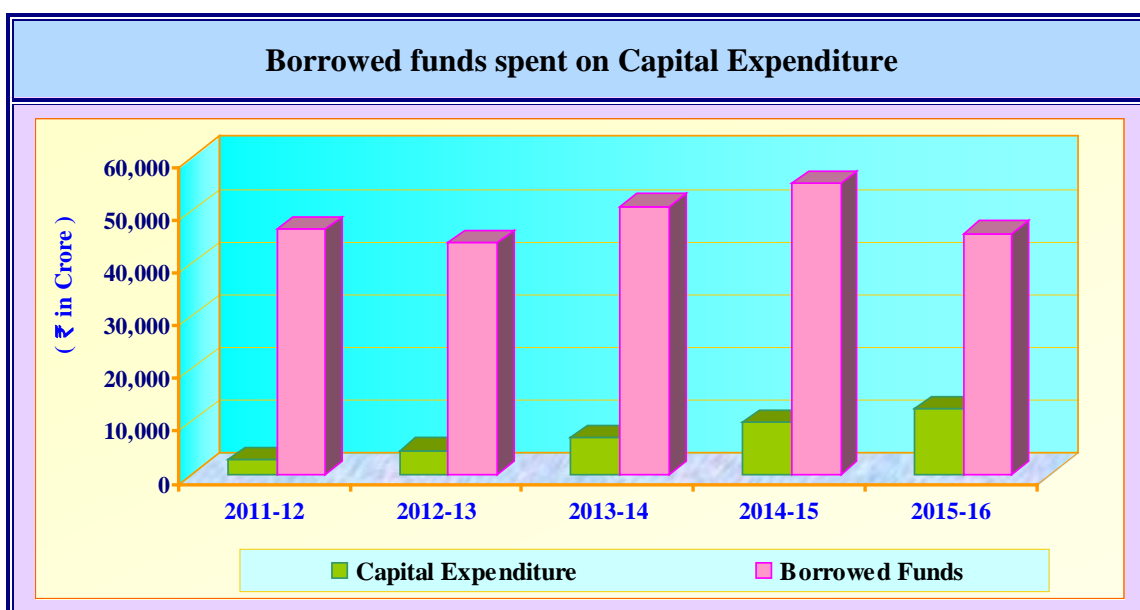
1.6.2. Trend of Fiscal Deficit / GSDP



1.6.3. Proportion of borrowed funds spent on Capital Expenditure.

(₹ in Crore)

Year	Capital Expenditure	Borrowed Funds
2011-12	2,764	46,560
2012-13	4,547	43,984
2013-14	6,927	50,950
2014-15	9,879	55,193
2015-16	12,420	45,747



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 27 per cent of the borrowings of the current year (₹45,747 crore) on Capital Expenditure (₹12,420 crore). It would, therefore, appear that 73 per cent of the Public Debt (₹33,327 crore) was utilised on the following: to repay the principal and interest on Public Debt of previous years, to meet periodic shortfalls of Revenues against Expenditure in the current year, to maintain a positive Cash Balance at the end of the year and to invest in Treasury Bills.

CHAPTER II

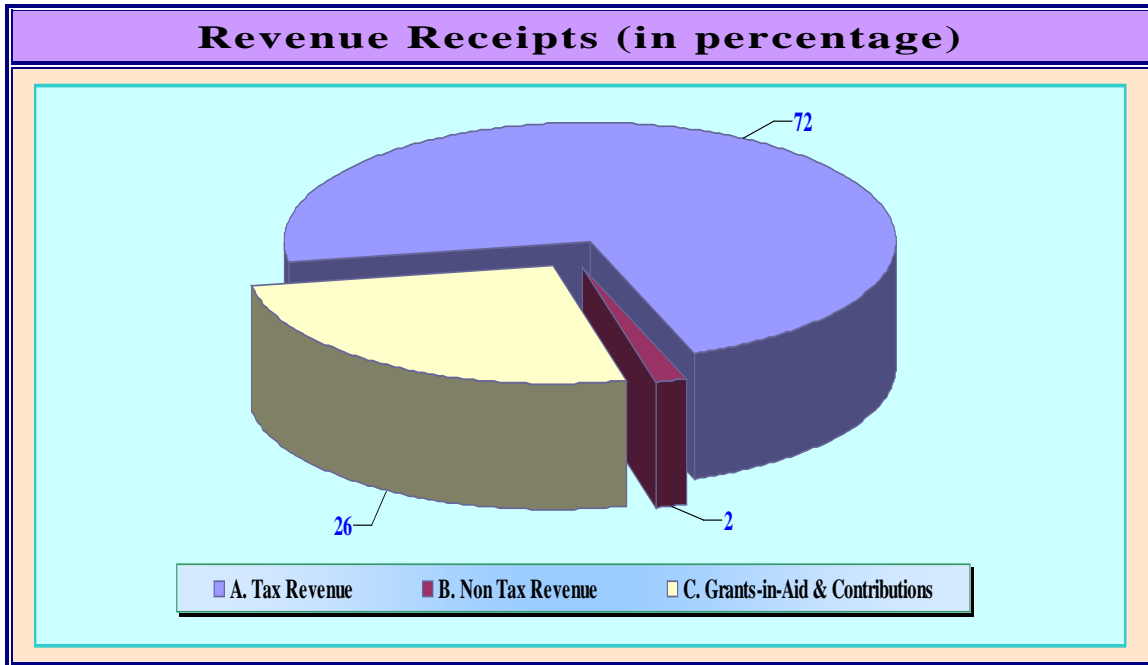
RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts of the Government of West Bengal during 2015-16 were ₹1,32,108 crore.

2.2. Revenue Receipts

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, etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Materials & Equipment' received from foreign Government and channelised through the Union Government. In turn, the State Government also gives Grants-in-Aid to institutions like Panchayati Raj Institutions, Autonomous bodies, etc.



Revenue Receipt Components

(₹ in Crore)

Components	Actuals
A. Tax Revenue	79,656
Taxes on Income & Expenditure	20,325
Taxes on Property & Capital Transactions	6,634
Taxes on Commodities & Services	52,697
B. Non-Tax Revenue	1,862
Interest Receipts, Dividends and Profits	347
General Services	561
Social Services	310
Economic Services	644
C. Grants-in-Aid & Contributions	28,214
Total – Revenue Receipts	1,09,732

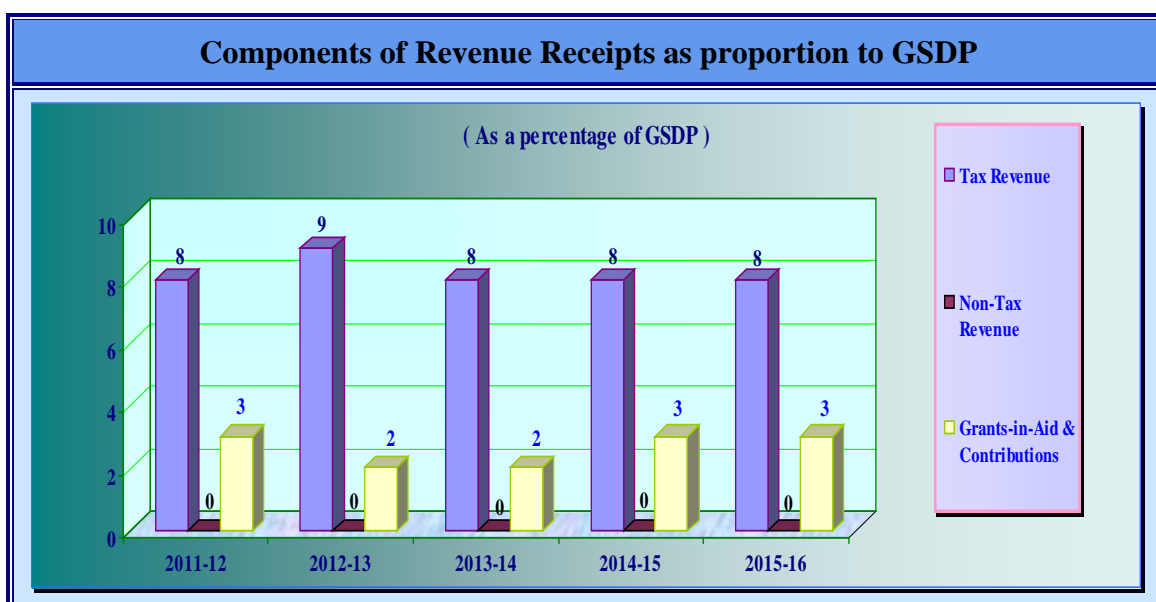
2.3. Trend of Receipts

(₹ in Crore)

Components	2011-12	2012-13	2013-14	2014-15	2015-16
Tax Revenue	43,526 (8)	54,035 (9)	59,006 (8)	64,006 (8)	79,656 (8)
Non-Tax Revenue	1,340 (0)	1,918 (0)	2,023 (0)	1,627 (0)	1,862 (0)
Grants-in-Aid and Contributions	13,889 (3)	12,343 (2)	11,853 (2)	20,881 (3)	28,214 (3)
Total Revenue Receipts	58,755 (11)	68,296 (11)	72,882 (10)	86,514 (11)	1,09,732 (11)
GSDP	5,49,876	6,30,384	7,00,117	8,00,868	10,39,923

Note : Figures in parentheses represent percentage to GSDP.

While the GSDP increased by 30 per cent between 2014-15 and 2015-16, the growth in revenue collection was 27 per cent. While tax revenue increased by 24 per cent, non-tax revenues increased by 14 per cent. The State's own Tax revenue increased by 8 per cent between 2014-15 (₹39,412 crore) and 2015-16 (₹42,492 crore), while share of Union taxes increased by 51 per cent.

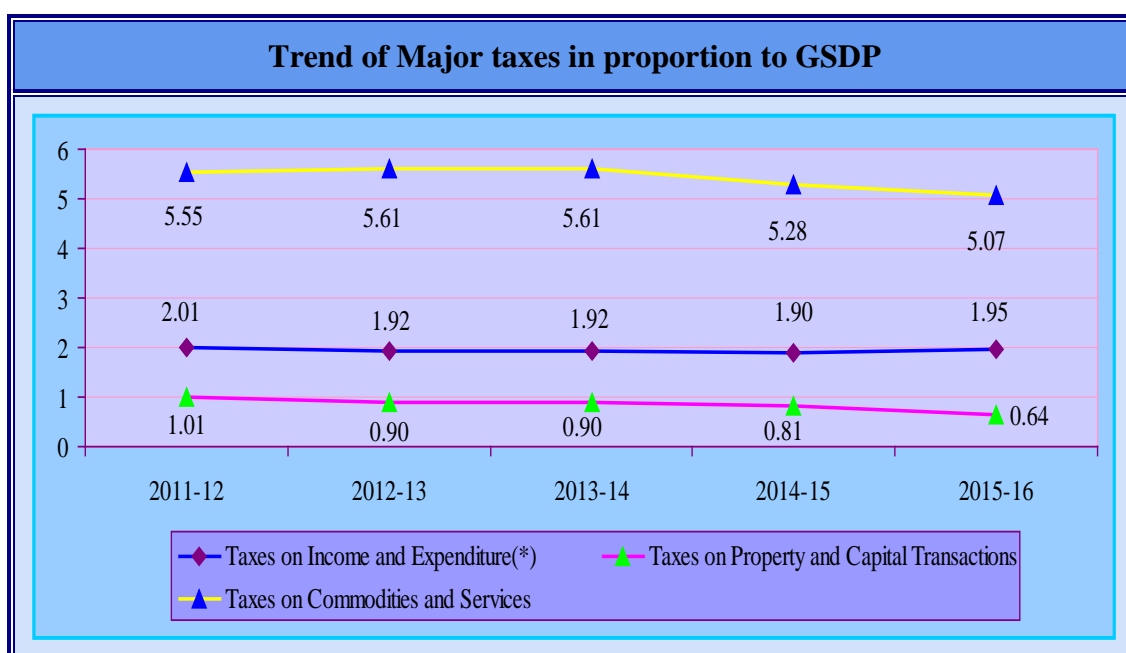


Sector-wise Tax Revenue

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Taxes on Income and Expenditure	11,470	12,650	13,409	15,196	20,325
Taxes on Property and Capital Transactions	4,632	6,394	6,328	6,495	6,634
Taxes on Commodities and Services	27,424	34,991	39,269	42,315	52,697
Total Tax Revenue	43,526	54,035	59,006	64,006	79,656

The increase in total Tax Revenues is mainly attributable to higher collections under 'Taxes on Sales, Trade, etc.' (₹26,050.16 crore), 'Corporation Tax' (₹11,702.44 crore), 'Taxes on Income other than Corporation Tax' (₹8,128.54 crore), 'Service Tax' (₹6,394.01 crore) 'Customs' (₹5,950.78 crore), 'Union Excise Duties' (₹4,958.07 crore), 'State Excise' (₹4,015.12 crore), 'Land Revenue' (₹2,456.27 crore), 'Taxes on Vehicles' (₹1,707.03 crore), 'Other Taxes on Duties on Commodities and Services' (₹27.04 crore), etc.



(*) Primary net proceeds of Central share to the State

2.4. Performance of State's Own Tax Revenue Collection

(₹ in Crore)

Year	Tax Revenue	State's share of Union Taxes	State's Own Tax Revenue	Percentage to GSDP
2011-12	43,526	18,588	24,938	4.54
2012-13	54,035	21,226	32,809	5.20
2013-14	59,006	23,175	35,831	5.12
2014-15	64,006	24,594	39,412	4.92
2015-16	79,656	37,164	42,492	4.09

2.5. Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	4,632	6,394	6,328	6,495	6,634
Expenditure on Collection	663	682	711	699	681
Efficiency of Tax Collection (in per cent)	14	11	11	11	10

B. Taxes on Commodities and Services

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	27,424	34,991	39,269	42,315	52,697
Expenditure on Collection	279	300	1,283	1,153	1,150
Efficiency of Tax Collection (in per cent)	1	1	3	3	2

Taxes on Commodities and Services form a major chunk of Tax Revenue. However, Tax collection efficiency on 'Taxes on Property and Capital Transactions' may be improved.

2.6. Trend in State's Share of Union Taxes & Duties

(₹ in Crore)

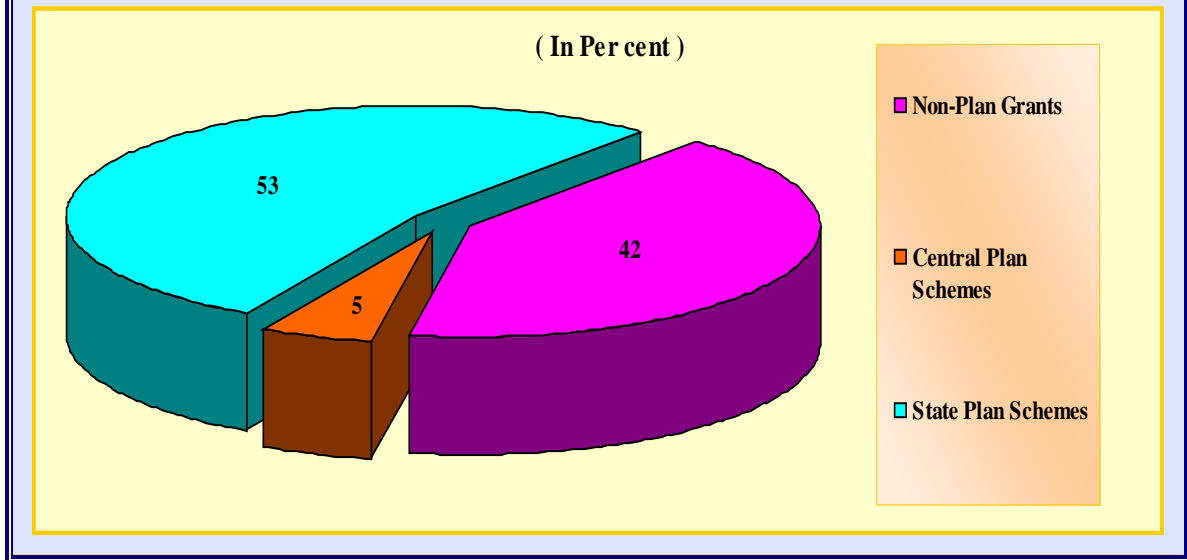
Major Head description	2011-12	2012-13	2013-14	2014-15	2015-16
Corporation Tax	7,316	7,624	7,794	8,588	11,702
Taxes on Income other than Corporation Tax	3,716	4,565	5,132	6,133	8,129
Taxes on Wealth	28	13	21	23	3
Customs	3,223	3,527	3,781	3,978	5,951
Union Excise Duties	2,085	2,397	2,671	2,246	4,958
Service Tax	2,219	3,100	3,776	3,626	6,394
State's Share of Union Taxes	18,588	21,226	23,175	24,594	37,164
Total Tax Revenue	43,526	54,035	59,006	64,006	79,656
Per cent of State's Share of Union Taxes & Duties to Total Tax Revenue	43	39	39	38	47

2.7. Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and accounted for under the Major Head “1601- Grants-in-Aid from Central Government”.

The share of non-plan grants in total Grants-in-Aid increased from 16 per cent to 42 per cent during 2014-15 and 2015-16. The share of Grants for Plan Schemes increased over previous year when compared to budget estimates. The State received only ₹16,461 crore (51 per cent of the budget estimate of total grants of ₹32,257 crore) against ₹17,610 crore (57 per cent) received last year. Total receipts during 2015-16 under Grants-in-Aid were ₹28,214 crore and sector wise breakup is shown in next view:

Grants - in - Aid



2.8. Public Debt

Trend of Public Debt (net) over the past five years

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	17,346	17,292	18,072	22,832	25,726
Central Loans	(-) 90	857	59	680	(-)158
Total Public Debt	17,256	18,149	18,131	23,512	25,568

Note : Negative figures indicate that repayment is in excess of receipts during the year.

In 2015-16, seventeen loans at par totalling ₹24,000 crore at interest rates varying from 7.97 per cent to 8.88 per cent and redeemable in the year 2025-26 were raised from the open market. In addition, the State Government raised ₹12,350 crore from financial institutions (including other adjustments) and ₹8,738 crore from the National Small Savings Fund (NSSF). Thus, the internal debt totalled ₹45,088 crore. During 2015-16 Government of West Bengal also received ₹659 crore from Government of India as loans and advances.

CHAPTER – III

EXPENDITURE

3.1. Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to-day running of the organisation. Capital Expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, PWD, Pension, etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST, etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, etc.

3.2. Revenue Expenditure

Revenue Expenditure of ₹1,18,827 crore for 2015-16 was 105 per cent of budget estimates of ₹1,13,100 crore.

The shortfall/excess of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Budget Estimates	74,139	83,719	91,892	1,05,978	1,13,100
Actuals	73,326	82,111	91,797	1,03,652	1,18,827
Gap	813	1,608	95	2,326	(-) 5,727
Percentage of gap over BE	1	2	*	2	(-) 5

(*) Less than 1 per cent.

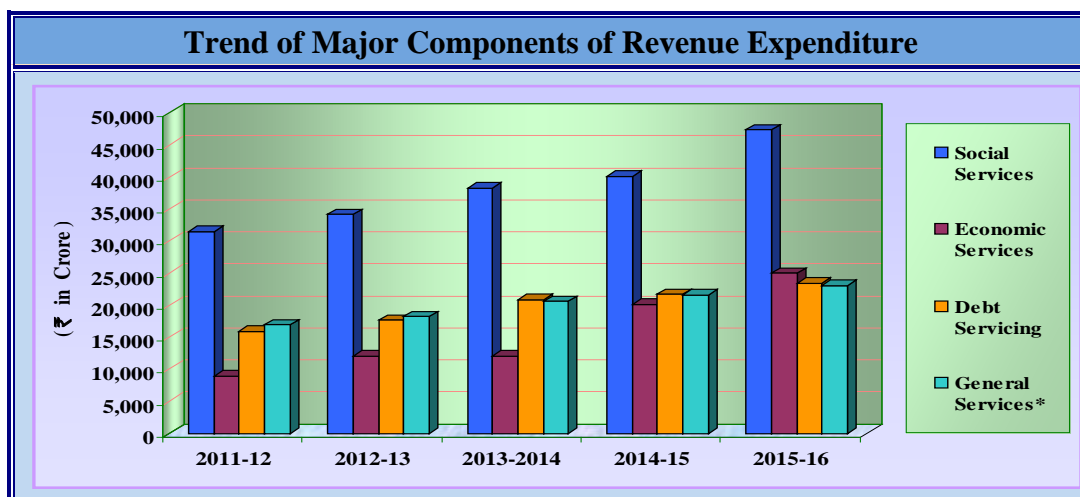
3.2.1. Sectoral Distribution of Revenue Expenditure

Components	Amount	Percentage
	(₹ in Crore)	
A. Fiscal Services	1,849	2
(i) Collection of Taxes on Property and Capital transactions	681	0
(ii) Collection of Taxes on Commodities and Services	1,150	1
(iii) Other Fiscal Services	18	0
B. Organs of State	779	0
C. Interest Payments and Servicing of Debt	23,415	20
D. Administrative Services	6,691	5
E. Pensions and Miscellaneous General Services	12,955	11
F. Social Services	47,389	40
G. Economic Services	24,973	21
H. Grants-in-Aid and Contributions	776	0
Total Expenditure (Revenue Account)	1,18,827	100

3.2.2. Major components of Revenue Expenditure

(₹ in Crore)

Components	2011-12	2012-13	2013-14	2014-15	2015-16
Social Services	31,564	34,212	38,262	40,156	47,389
Economic Services	8,969	12,043	12,083	20,157	24,973
Debt Servicing	15,896	17,621	20,857	21,688	23,415
General Services*	16,898	18,236	20,595	21,651	23,050



* General Services excludes Major Head 2048 (Appropriation for reduction or avoidance of Debt), Major Head 2049 (Interest Payments) and includes Major Head 3604 (Compensation and Assignment to Local Bodies and Panchayati Raj Institutions).

Though Revenue Expenditure on all services has a trend of steady increase, expenditure on Debt Servicing covers on an average 20 per cent of total Revenue Expenditure during last five years.

3.3. Capital Expenditure

Capital disbursements for 2015-16 amounting to ₹13,281 crore (including Loans and Advances) at 1.28 per cent of GSDP were less than Budget Estimates by ₹3,099 crore mainly due to less disbursement under Non-plan and Plan Expenditure. Over the last five years, Capital Expenditure has declined with respect to its budget. This can be viewed from the following table:

(₹ in Crore)

Sl. No.	Components	2011-12	2012-13	2013-14	2014-15	2015-16
1.	Budget (B.E.)	7,434	8,997	10,087	15,598	16,380
2.	Actual Expenditure (#)	2,764	4,547	6,927	9,879	12,420
3.	Percentage of Actual Expenditure to B.E.	37	51	69	63	76
4.	Growth in Capital Expenditure (in percentage)	24	65	52	43	26
5.	GSDP (*)	5,49,876	6,30,384	7,00,117	8,00,868	10,39,923
6.	Growth in GSDP (in percentage)	20	15	11	14	30

(#) Does not include expenditure on Loans and Advances.

(*) GSDP figure used in this publication is adopted from the Economic Review published by Government of West Bengal.

3.3.1. Sectoral Distribution of Capital Expenditure

Expenditure on Economic Services constitutes the major chunk of Capital Expenditure. During 2015-16, the Government spent ₹2,071 crore on Transport, ₹1,601 crore on Irrigation and Flood Control, ₹677 crore on Special Areas Programme and ₹743 crore on Agriculture and Allied Activities. In Social Services, the Government spent ₹1,839 crore on Health and Family Welfare and ₹1,706 crore on Water Supply, Sanitation, Housing and Urban Development.

3.3.2. Comparative Sectoral distribution of Capital and Revenue Expenditure over the past five years

(₹ in Crore)

Sl. No.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1.	General Services (Capital)	122	162	307	420	705
	General Services (Revenue)	32,289	35,325	40,834	42,712	45,689
2.	Social Services (Capital)	793	1,515	2,700	4,224	4,628
	Social Services (Revenue)	31,564	34,212	38,262	40,156	47,389
3.	Economic Services (Capital)	1,849	2,870	3,919	5,235	7,087
	Economic Services (Revenue)	8,969	12,043	12,083	20,157	24,973

Note: 1. Capital Expenditure does not include Loans and Advances.

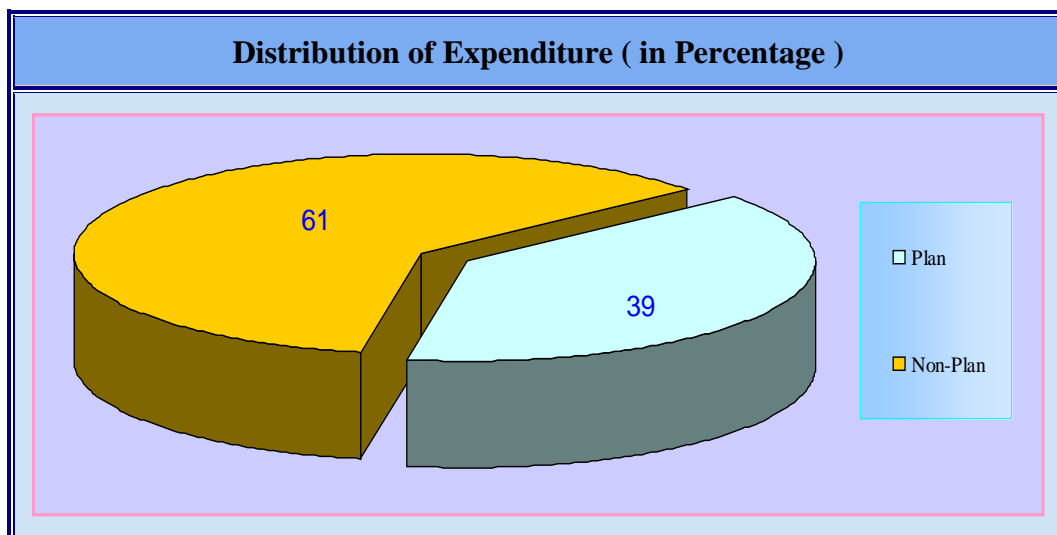
2. Revenue Expenditure does not include expenditure on Grants-in-Aid.

CHAPTER – IV

PLAN & NON-PLAN EXPENDITURE

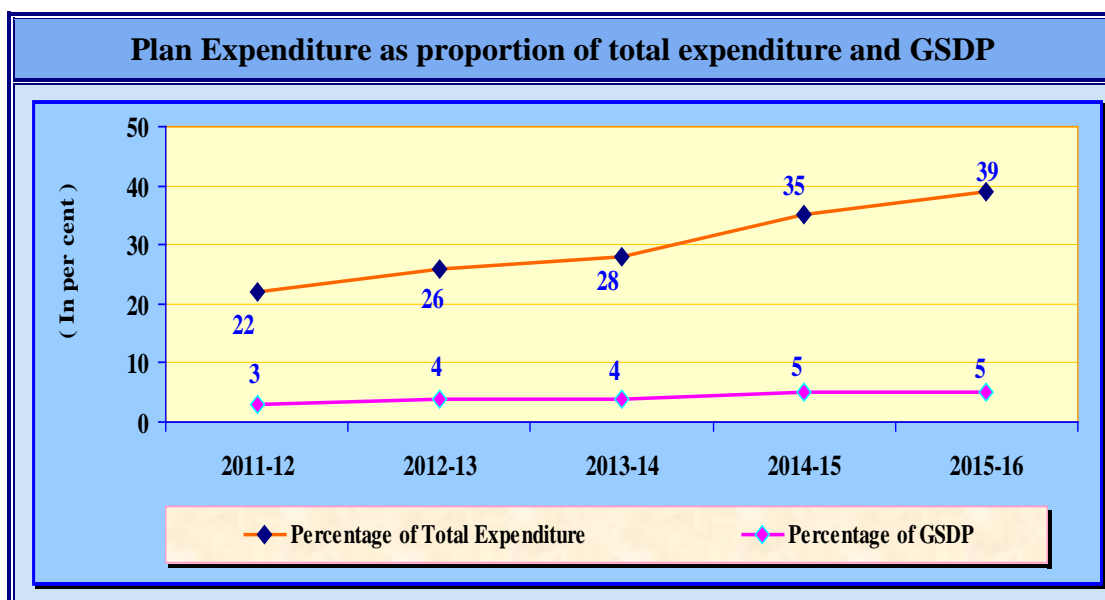
4.1. Distribution of Expenditure

The total expenditure during the year was ₹1,32,108 crore representing Plan expenditure of ₹51,467 crore and Non-Plan expenditure of ₹80,641 crore.



4.2. Plan Expenditure

During 2015-16, Plan Expenditure, representing 39 per cent of total disbursements, was ₹51,467 crore (₹50,700 crore under State Plan, ₹23 crore under Centrally Sponsored, ₹58 crore under Central Sector New Schemes and ₹686 crore on Loans and Advances).



4.2.1. Plan Expenditure under Capital Account

(₹ in Crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Total Capital Expenditure	3,212	5,611	7,590	10,384	13,281
Capital Expenditure (Plan)	2,764	4,547	7,362	10,120	13,106
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	86	81	97	97	99

Note: Capital Expenditure includes Loans and Advances.

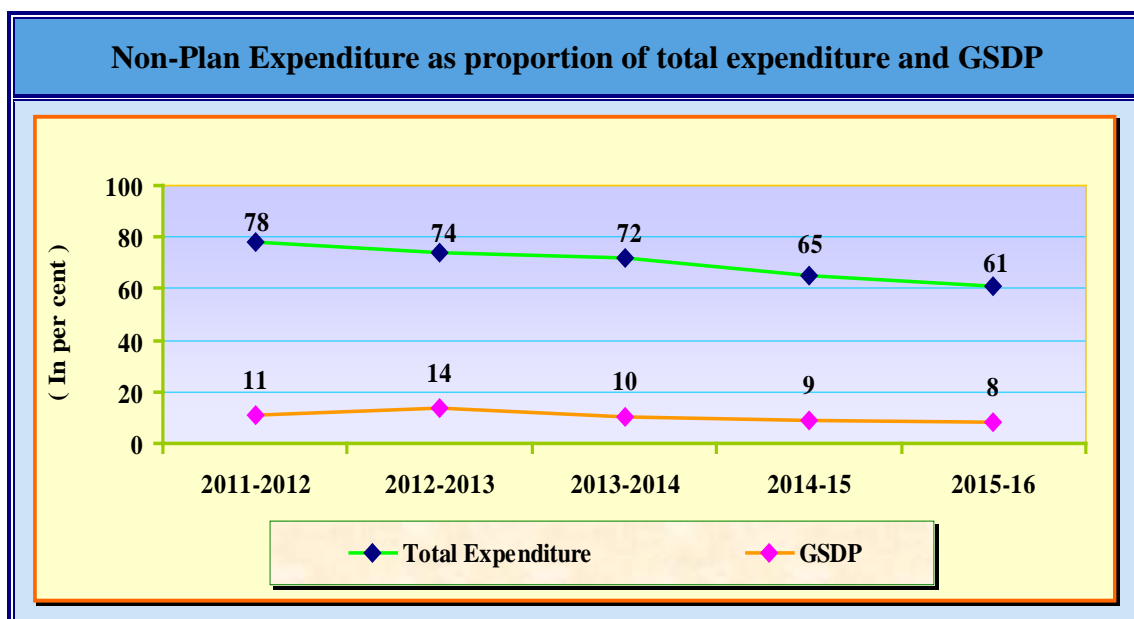
4.2.2. Plan Expenditure on Loans and Advances

Significant disbursements of Loans and Advances were as under:

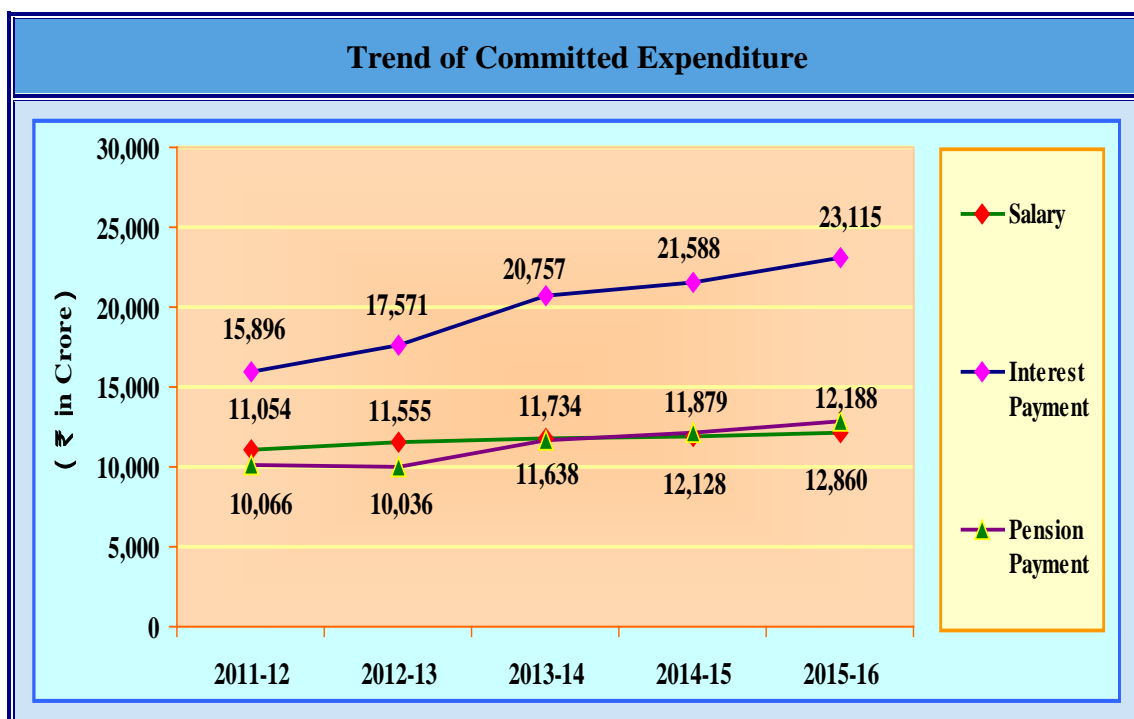
Description	Amount (₹ in Crore)	Details
MH – 6210 – Loans for Medical and Public Health	2.09	Loans to Electro Medical and Allied Industries Ltd.
MH – 6217 – Loans for Urban Development	67.67	Loans to Kolkata Municipal Corporation for Kolkata Environmental Improvement Programme (KEIP).
MH – 6220 – Loans for Information and Publicity	2.93	Loans to West Bengal Film Development Corporation.
MH – 6425 – Loans for Co-operation	76.37	Loans to Warehousing and Marketing Co-operatives ₹0.10 crore, Establishment of Cold Storage [CO] ₹0.79 crore, Establishment of Storage Godowns [CO] ₹0.33 crore and Development of Apex Agricultural Marketing Society [CO] ₹75.15 crore.
MH – 6435 – Loans for Other Agricultural Programmes	27.00	Loans to Paschimbanga Agri-Marketing Corporation Ltd.
MH – 6801 – Loans for Power Projects	330.62	Loans to WBSEB ₹25.00 crore, WBSEDCL on account of OECF Purulia Plant ₹31.06 crore, WBPDC for Meeting Shortfall in Cash Flow [PO] ₹250.00 crore WBPDC for World Bank Projects ₹24.56 crore.
MH – 6857 – Loans for Chemical and Pharmaceutical Industries	5.52	Loans to Gluconate Health Ltd. ₹1.69 crore, W.B. Pharmaceutical and Phytochemical Dev. Corporation Ltd. [CI] ₹1.83 crore, Infusion (India) Ltd. [CI] ₹2.00 crore.
MH – 6858 – Loans for Engineering Industries	5.80	Loans to National Iron and Steel Co. Ltd. ₹3.50 crore, Neo Pipe & Tube Co. Ltd. [PI] ₹2.30 crore.
MH – 6859 – Loans for Telecommunication and Electronic Industries	5.00	Loans to West Bengal Electronics Industries Development Corporation Ltd.
MH – 6860 – Loans for Consumer Industries	69.60	Loans to W.B. Co-op. Spinning Mills Ltd. ₹8.22 crore, West Dinajpur Spinning Mills Ltd. ₹18.71 crore, Mayurakshi Cotton Mills ₹2.99 crore, Tamralipta Spinning Mills Ltd. ₹0.60 crore, Kangsaboti Spinning Mills Ltd. ₹1.10 crore, Kalyani Spinning Mills Ltd. ₹27.37 crore, for Rehabilitation of Kangsaboti Spinning Mills Ltd. ₹4.71 crore, Krishna Silicate Ltd[PI] ₹0.10 crore, Greater Calcutta Gas Supply Corporation[CI] ₹3.06 crore W.B. Sugar Industries Dev. Co-op. Ltd. ₹0.11 crore, Lily Biscuit Ltd. ₹2.63 crore.
MH – 6875 – Loans for other Industries	5.62	Loans to Basumati Corporation.
MH – 6885 – Other Loans to Industries and Minerals	6.41	Loans to West Bengal Industrial Development Corporation Ltd. [CI].
MH – 7055 – Loans for Road Transport	149.37	Loans for Development of CSTC ₹31.48 crore, NBSTC ₹27.41 crore, SBSTC ₹31.00 crore, CTC Ltd. ₹48.30 crore, WBSTC Ltd. ₹11.19 crore.
MH – 7056 – Loans for Inland Water Transport	22.81	Loans to Shalimar Works (1980) Ltd. ₹4.81 crore, WBSTC Ltd. for Development and Maintenance of Inland Water Transport Service ₹18.00 crore
MH – 7075 – Loans for Other Transport Services	61.41	Loans to WBHDCL ₹50.00 crore, Britannia Engineering Ltd. ₹3.28 crore, Westinghouse Saxby Farmer Ltd. ₹3.22 crore, Construction of Second Bridge over Hooghly River ₹4.91 crore.
MH – 7465 – Loans for General Financial and Training Institutions	20.00	Loans to West Bengal Mineral Development and Trading Corporation [CI] ₹20.00 crore.

4.3. Non-Plan Expenditure

During 2015-16, Non-Plan Expenditure representing 61 per cent of total disbursements, was ₹80,641 crore, (₹80,466 crore under Revenue and ₹175 crore under Capital).



4.4. Committed Expenditure



The trend of Committed Expenditure to Revenue Expenditure over the past five years is given below :

(₹ in Crore)

Component	2011-12	2012-13	2013-14	2014-15	2015-16
Committed Expenditure	37,016	40,162	44,129	45,595	48,163
Revenue Expenditure	73,326	82,111	91,797	1,03,652	1,18,827
Percentage of Committed Expenditure to Revenue Receipts	63	59	61	53	44
Percentage of Committed Expenditure to Revenue Expenditure	50	49	48	44	41

The major disbursement on Committed Expenditure leaves the Government with lesser funds for developmental spending.

CHAPTER -V

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of West Bengal for the year 2015-16 present the Accounts of sums expended in the year ended 31 March 2016 compared with the sums specified in the Schedules appended to the Appropriation Act passed under Articles 204 and 205 of the Constitution of India.

5.1. Summary of Appropriation Accounts

(₹ in Crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Surrender (by way of Re-appropriation)	Total	Actual Expenditure	Savings(-) Excess(+)
1.	Revenue						
	Voted	91,309	14,552	--	1,05,861	96,996	(-) 8,865
	Charged	24,236	846	--	25,082	23,559	(-) 1,523
2.	Capital						
	Voted	17,041	4,345	--	21,386	14,340	(-) 7,046
	Charged	6	--	--	6	2	(-) 4
3.	Public Debt						
	Voted	--	--	--	--	--	--
	Charged	38,894	365	--	39,259	20,179	(-) 19,080
4.	Loans and Advances						
	Voted	752	103	--	855	861	(+) 6
	Charged	--	--	--	--	--	--
Total		1,72,238	20,211	--	1,92,449	1,55,937	(-) 36,512

5.2. Trend of Savings/Excess during the past five years

(₹ in Crore)

Year	Savings (-) / Excess (+)				
	Revenue	Capital	Public Debt	Loans & Advances	Total
2011-12	(-) 6,131	(-) 4,449	(+) 2,197	(-) 209	(-) 8,592
2012-13	(-) 9,324	(-) 4,435	(-) 1,555	(-) 424	(-) 15,738
2013-14	(-) 7,154	(-) 5,233	(-) 7,121	(-) 248	(-) 19,756
2014-15	(-) 10,714	(-) 7,177	(-) 7,251	(-) 147	(-) 25,289
2015-16	(-) 10,388	(-) 7,050	(-) 19,080	(+) 6	(-) 36,512

5.3. Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant savings are given below:

(In percentage)

Grant No.	Name of Grant	2012-13	2013-14	2014-15	2015-16
02	Governor's Secretariat	23	22	31	22
10	Consumer Affairs	28	17	23	11
16	Environment	42	54	19	22
28	Housing	38	19	10	14
32	Irrigation and Waterways	62	61	43	46
38	Minority Affairs and Madrasah Education	19	16	16	39
55	Water Resources Investigation & Development	44	38	31	30
61	Chief Minister's Office	11	14	29	34

During 2015-16, out of total Supplementary Grants of ₹20,211 crore (13 per cent of total expenditure), an amount of ₹440 crore proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in Crore)

Grant	Name of Grant	Original	Supplementary	Actual Expenditure
15	School Education	21,156	100	17,070
20	Fisheries	338	33	284
22	Food Processing Industries & Horticulture	149	14	59
32	Irrigation and Waterways	2,689	98	1,504
34	Judicial	647	28	535
51	Technical Education & Training	827	67	623
62	North Bengal Development	555	100	451

CHAPTER –VI

ASSETS AND LIABILITIES

6.1. Assets

The existing form of accounts do not easily 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 on future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in different institutions of the State Government stood at ₹13,390.25 crore at the end of 2015-16. However, dividends received during the year were ₹11.89 crore (0.09 per cent) on investment. During 2015-16, investment increased by ₹737.64 crore, while dividend income increased by ₹6.08 crore.

Cash Balance with RBI stood at (-) ₹326.74 crore on 31 March 2015 and increased to ₹205.45 crore at the end of March 2016.

6.2. Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under:

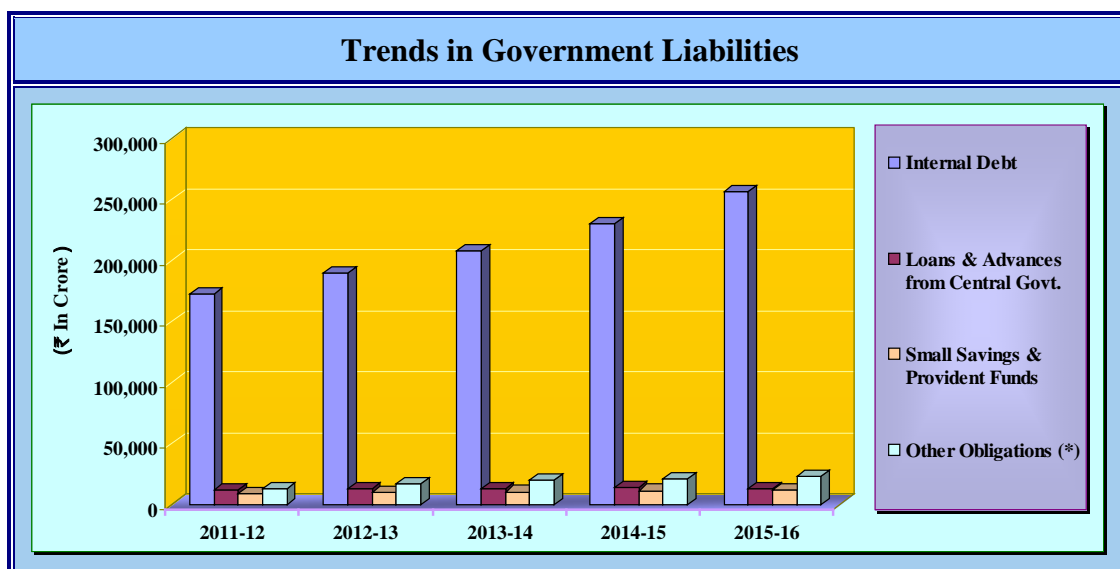
(₹ in Crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2011-12	1,84,698	34	22,974	4	2,07,672	38
2012-13	2,02,848	32	26,901	4	2,29,749	36
2013-14	2,20,978	32	30,989	4	2,51,967	36
2014-15	2,44,490	31	33,060	4	2,77,550	35
2015-16	2,70,059	26	35,984	3	3,06,043	29

(*) Excludes suspense and remittance balances.

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

During last five years, Public Debt increased by 46 per cent.



(*) Non-Interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

6.3. Guarantees

The position of guarantees by the State Government for the re-payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc. is given below:

(₹ in Crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 March 2016	
		Principal	Interest
2011-12	20,106	10,192	29
2012-13	18,981	8,821	25
2013-14	14,818	4,550	96
2014-15	15,184	9,322	64
2015-16	14,625	8,788	69

The Government of West Bengal has included a disclosure in the FRBM Document that Guarantee Redemption Fund has been constituted vide notification bearing No. 1240-FB dated 02.01.2015 and minimum contribution of ₹50.00 crore has been made to the Fund in 2015-16.

CHAPTER –VII
OTHER ITEMS

7.1. Internal Debt

During 2015-16, Loans amounting to ₹1,513.77 crore were taken from Financial Institutions and Special Securities amounting to ₹8,738.41 crore were issued to National Small Savings Fund of the Central Government.

7.2. Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2015-16 were ₹14,999 crore. Of this, Loans and Advances to Government Corporations / Companies, Non-Government Institutions and Local Bodies amounted to ₹14,988 crore. During the year, ₹95 crore was received as interest.

7.3. Financial Assistance to Local Bodies and Others

Expenditure on Grants-in-Aid to Local Bodies etc. represents 42 per cent of total Revenue Expenditure.

Details of Grants-in-Aid for the past four years are as under:

(₹ in Crore)

Year	Zilla Parishads	Municipalities	Panchayat Samities	Others	Total
2012-13	258	2,500	5,365	20,010	28,133
2013-14	312	2,808	5,360	24,686	33,166
2014-15	2,100	3,959	10,674	27,147	43,880
2015-16	3,118	3,561	12,035	30,746	49,460

Note: Figures based on expenditure under the Object Head “31-Grants-in-Aid” across Major Heads and under the Major Head “3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions”.

7.4. Cash Balance and Investment of Cash Balance

(₹ in Crore)

Component	As on 1 April 2015	As on 31 March 2016	Net increase (+) /decrease(-)
Cash Balance	(-)326	206	532
Investments from cash balance (GOI Treasury Bills)	2,725	6,853	4,128
Investments from Earmarked Funds	8,558	8,782	224
(a) Sinking Fund	8,373	8,535	162
(b) Guarantee Redemption Fund	46	96	50
(c) Other Funds	139	197	58
Interest realised	69	105	36

7.5. Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Controlling Officers. The reconciliation of accounts of many departments is in arrears. In 2015-16, only 54 per cent (₹81,580 crore) of the total expenditure and 88 per cent (₹1,38,038 crore) of the total receipts of the State Government were reconciled.

7.6. Submission of Accounts by Treasuries

There are 88 District Treasuries in the State (including PAOs and one e-Treasury). From 1 April 2015, Government of West Bengal has done away with the Letter of Credit (LOC) system and submission of accounts by Works and Forest Divisions. During the year, average delay in submission of monthly accounts by the treasuries was 12 days. However, there was no exclusion of accounts at the end of the year.

7.7. Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Drawing and Disbursing Officers are authorised to draw sums of money by preparing Abstract Contingent Bills by debiting Service Heads and as per Rule 4.138 of West Bengal Treasury Rules (WBTR) 2005 they are required to present Detailed Contingent Bills (vouchers in support of final expenditure). In all such cases D.C. Bills are to be presented within one month from the date of completion

of the purpose for which advance was drawn and in no case beyond the period of sixty days from the date of drawal of such advance unless permitted by the Administrative Department with the concurrence of the Finance Department. As on 31 March 2016, DC Bills in respect of a total of 11,950 AC Bills amounting to ₹3,075 crore were outstanding.

7.8. Rush of Expenditure

The financial rules stipulate that rush of expenditure, particularly in the closing month of the financial year, shall be regarded as a breach of financial regularity and should be avoided.

Details of expenditure during 2015-16 are analysed below:

(₹ in Crore)

Type of Expenditure	Expenditure During the Year	During March 2016		Expenditure during last working day of March 2016
		Expenditure	Percentage of total Expenditure	
Total Expenditure (excluding Pay vouchers)	1,31,247.44	21,159.32	16.12	5,297.47
Total Transfer Credit (including all deposit heads)	16,744.75	3,339.44	19.94	433.48
Amount of Transfer Credit to PD Accounts through Treasury vouchers (included in total Transfer Credit)	1,717.00	333.48	19.42	87.71
Amount of AC Bills drawn	2,047.41	467.80	22.85	203.94

Significant expenditure in March, especially the last working day in March, indicates that the expenditure was primarily for the purpose of exhausting the budget and reveals inadequate budgetary control.

7.9. Commitments on account of Incomplete Capital Works

Intimation collected from Chief Engineers of various State Government Departments reveals that an expenditure of ₹2,027.62 crore was incurred upto 31 March 2016 on Incomplete Capital Projects / Works. It was also revealed that in case of 8 Projects / Works there was a cost overrun of ₹38.97 crore as on 31 March 2016.

— * —

**© COMPTROLLER AND
AUDITOR GENERAL OF INDIA**

2016

www.cag.gov.in

agwb.cag.gov.in

Printed at
Saraswaty Press Limited
(A Govt. of West Bengal Enterprise)
11, B.T. Road, Kolkata-700056