



सत्यमेव जयते

Accounts at a Glance 2020-21



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of West Bengal

**Laid on the Table of
the State Legislature
on 25.03.2022**

Accounts at a Glance

2020-21

Government of West Bengal

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Our Vision, Mission and Core Values

Vision

The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.

We strive to be a global leader and initiator of national and inter-national best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders- the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes.

Mission

Our mission enunciates our current role and describes what we are doing today.

Core Values

Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.

- **Independence**
- **Objectivity**
- **Integrity**
- **Reliability**
- **Professional Excellence**
- **Transparency**
- **Positive Approach**

PREFACE

This is the twenty third 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 Principal 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 is based 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.



(YASHODHARA RAY CHAUDHURI)

**PRINCIPAL ACCOUNTANT GENERAL (A&E)
WEST BENGAL**

**KOLKATA
Dated: 13.01.2022**

CHAPTER-I

OVERVIEW

1.1. Introduction

The Principal 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 Principal 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 (Audit-I), West Bengal and certification by the Comptroller and Auditor General of India, the Principal 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.

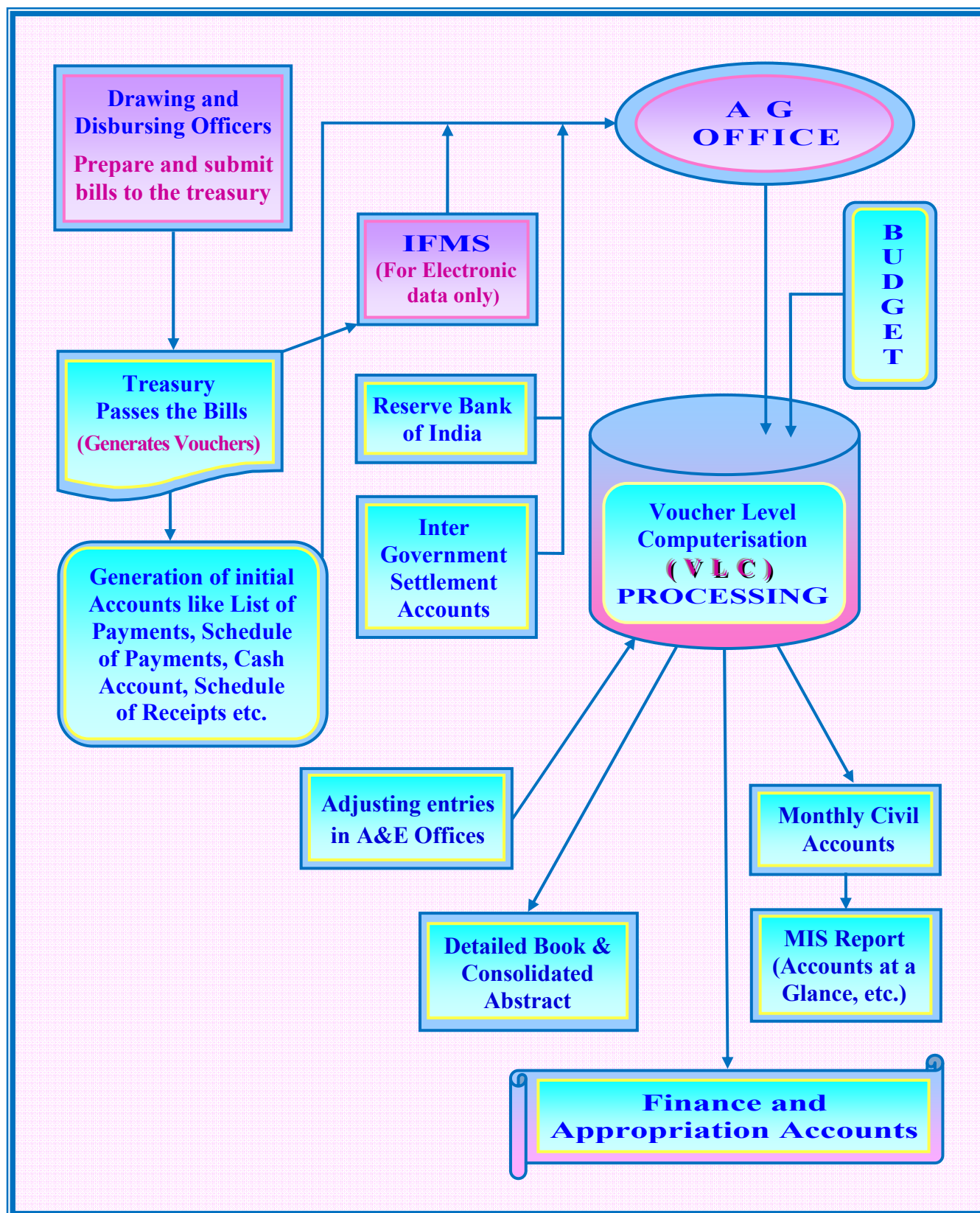
1.2. Structure of Government Accounts

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	This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State. The Contingency Fund of the Government of West Bengal for 2020-21 was ₹20.00 crore.
Part-III Public Account	In Public Account, the transactions relating to Debt (Other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' shall be recorded. The transactions under Debt, Deposit and Advances in this part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and the recoveries of the latter (Advances). The transactions relating to 'Remittances' and 'Suspense' in this part shall embrace all merely adjusting heads under which shall appear for transactions heads such as remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits to these heads have to be cleared eventually by booking to the final heads of accounts.

1.2.2. Compilation of Accounts

Flow Diagram for Accounts Compilation



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).

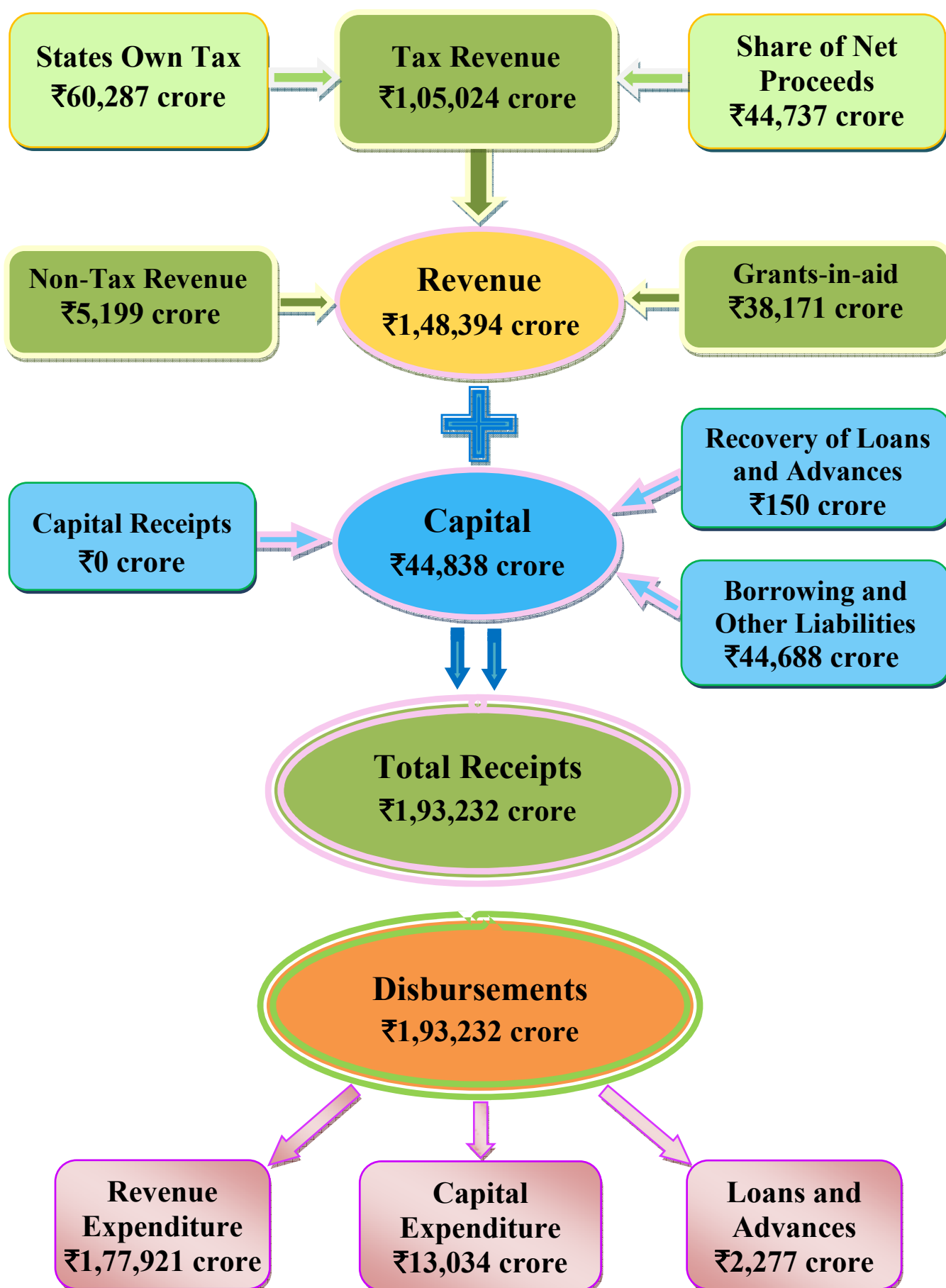
Receipts and disbursements of the State Government as depicted in the Finance Accounts for 2020-21 are detailed below:

(₹ in Crore)

Receipts and disbursements in the year 2020-21			
Receipts (Total: 1,93,232)	Revenue (Total: 1,48,394)	Tax Revenue	1,05,024
		(a) States Own Tax	60,287
		(b) Share of Net Proceeds	44,737
		Non-Tax Revenue	5,199
		Grants-in-aid	38,171
	Capital (Total: 44,838)	Capital Receipts	0
		Recovery of Loans and Advances	150
		Borrowing and other Liabilities (*)	44,688
Disbursements (Total: 1,93,232)	Revenue		1,77,921
	Capital		13,034
	Loans and Advances		2,277

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

Receipts and disbursements during the year 2020-21



This year, the Government of India directly released ₹26,197.54 crore (₹11,677.11 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 57 Voted Grants and 01 Charged Appropriation in the current year.

The gross Budget provision for Expenditure (charged and voted) for 2020-21 was ₹2,83,855.41 crore and reduction of expenditure (recoveries) of ₹2,686.98 crore. Against this, the actual gross expenditure was ₹2,26,694.73 crore and reduction of expenditure was ₹6,573.65 crore, resulting in net savings of ₹57,160.68 crore (20.14 *per cent*) in respect of expenditure and net excess of ₹3,886.67 crore (144.65 *per cent*) on reduction of expenditure. The gross expenditure includes ₹759.65 crore drawn on Abstract Contingent (AC) Bills (no. of AC Bills 1,761), which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2020-21, ₹746.33 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.

1.3.3. Efficiency on Budget preparation

At the end of the year, the actual expenditure of the Government of West Bengal against the Budget estimate, showed a net savings of ₹57,160.68 crore (20.14 *per cent* of estimates) and under- estimation of ₹3,886.67 crore (144.65 *per cent* of estimates) on reduction of expenditure. Certain grants, like those relating to, Finance, Panchayat & Rural Development, Urban Development & Municipal Affairs, Agriculture, Minority Affairs and Madrasah Education, Women & Child Development and Social Welfare, Public Health Engineering, Irrigation & waterways, Industry, Commerce and Enterprises, Power, Public works, School Education, Micro, Small & Medium Enterprises and Textiles, Transport, Paschimanchal Unnayan Affairs and North Bengal Development showed substantial savings.

1.4. Sources and Application of Funds

1.4.1. Ways and Means Advances and Overdraft from the Reserve Bank of India

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. Overdraft is taken from the Reserve Bank of India when the limit of minimum Cash Balance falls below ₹2.48 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During 2020-21, the Government of West Bengal resorted to Special Drawing Facilities for 42 days, Normal Ways and Means Advances for 14 days and no OD facilities.

The Government of West Bengal availed Ways and Means Advances amounting to ₹8,154.69 crore from the RBI during 2020-21. The Government repaid the entire amount of ways and means advance during 2020-21. The interest paid on the Ways and Means Advances during 2020-21 was ₹2.66 crore.

Note:- Special Drawing Facilities and Normal Ways and Means Advances were taken for 14 days simultaneously.

1.4.2. Funds flow statement

The State had a Revenue Deficit of ₹29,527.31 crore and a Fiscal Deficit of ₹44,687.65 crore representing 2.27 *per cent* and 3.43 *per cent* of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 23.13 *per cent* of total expenditure. This deficit was met solely from Public Debt (₹48,539.74 crore). Around 51 *per cent* of the Revenue Receipts (₹1,48,393.97 crore) of the State Government was spent on committed expenditure like Salaries (₹19,839.70 crore), Interest payment (₹33,881.51 crore) and Pensions (₹21,393.74 crore).

¹ Except where indicated otherwise, Gross State Domestic Product (GSDP) figure for 2020-21 is ₹13,01,017.00 crore as available from the website of the Ministry of Statistics and Programme Implementation.

Sources and Application of Funds

(₹ in Crore)

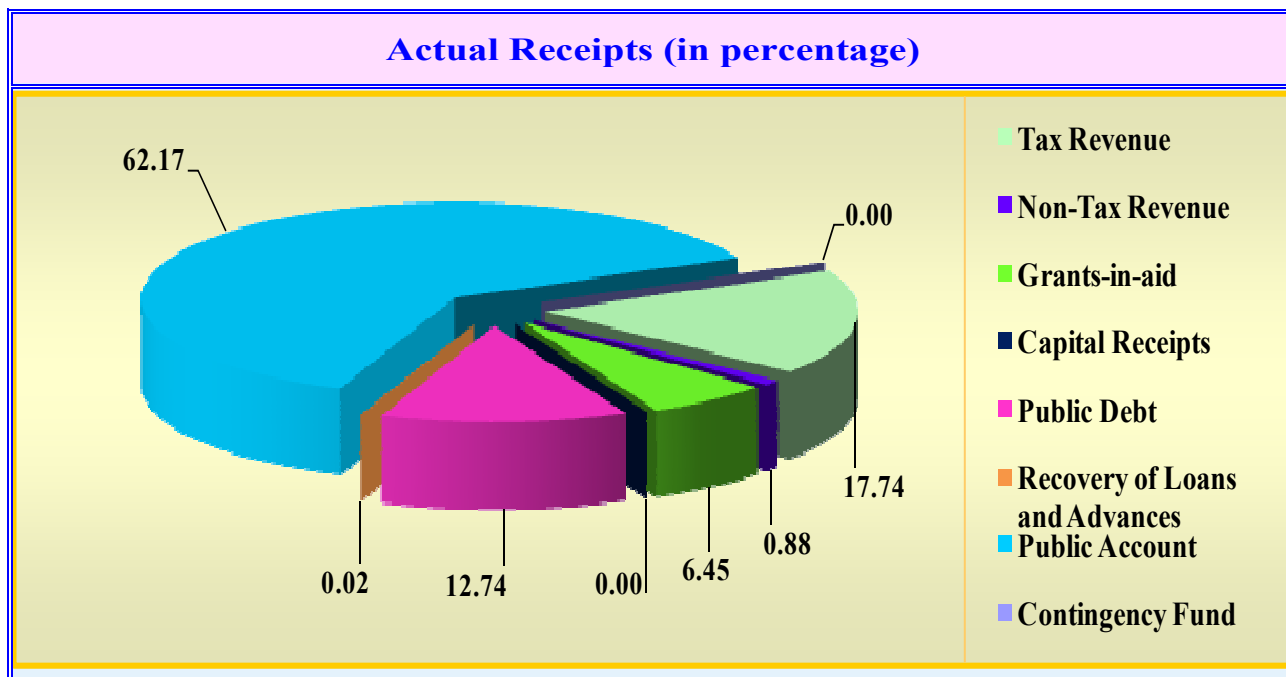
PARTICULARS	AMOUNT
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SOURCES	Opening Cash Balance as on 1.4.2020	(-) 20
	Revenue Receipts	1,48,394
	Capital Receipts	0
	Recovery of Loans & Advances	150
	Public Debt	75,429
	Small Savings Provident Fund & Others	4,762
	Reserves & Sinking Funds	2,888
	Deposits Received	1,02,955
	Civil Advances Repaid	0
	Suspense Account	2,57,521
	Remittances	0
	Contingency Fund	12
	TOTAL	5,92,091

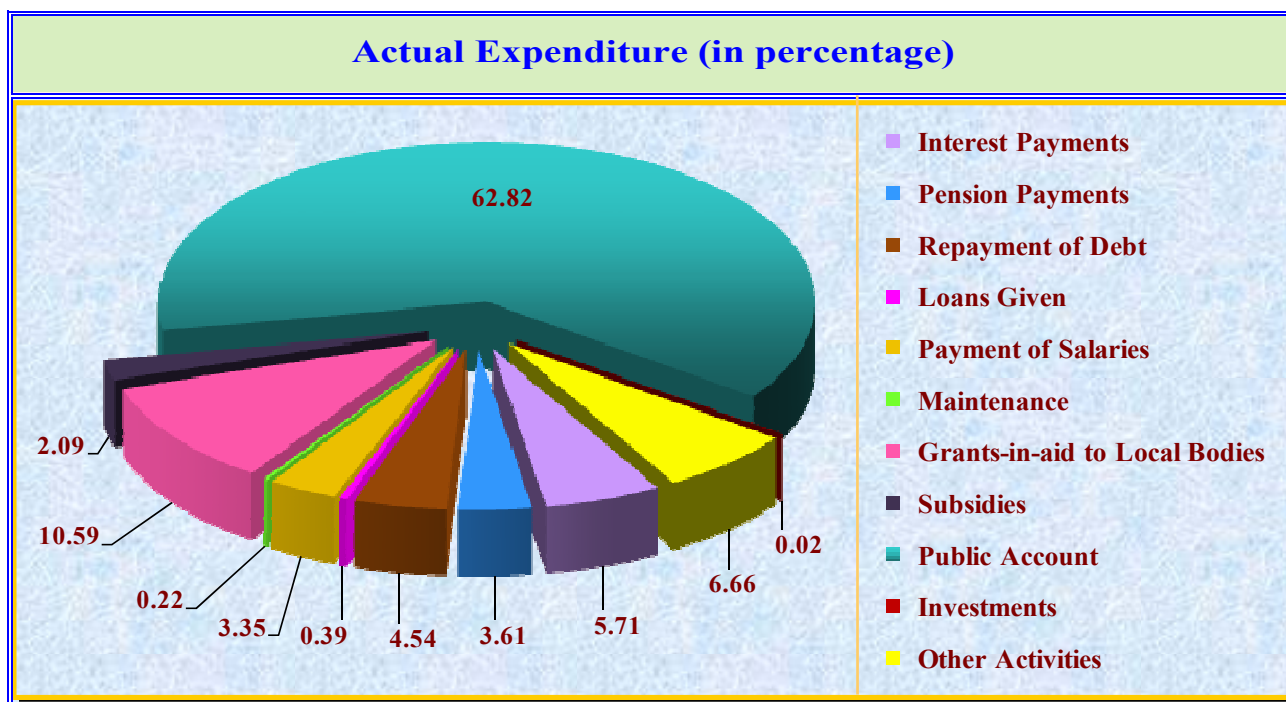
APPLICATION	Revenue Expenditure	1,77,921
	Capital Expenditure	13,034
	Loans Given	2,277
	Repayment of Public Debt	26,889
	Contingency Fund	7
	Small Savings, Provident Fund & Others	2,474
	Reserves & Sinking Funds	1,827
	Deposits Spent	1,01,889
	Civil Advances Given	0
	Suspense Account	2,65,792
	Remittances	1
	Closing Cash Balance as on 31.03.2021	(-) 20
	TOTAL	5,92,091

Note: The Suspense Accounts include ₹1,33,731.81 crore invested in Treasury Bills which is shown on the 'Application' side, and ₹1,25,698.37 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	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP ¹
		(₹ in Crore)			
1.	Tax Revenue ²	1,36,642	1,05,024	77	8
2.	Non-Tax Revenue	4,266	5,199	122	0
3.	Grants-in-aid & Contributions	38,490	38,171	99	3
4.	Revenue Receipts (1 + 2 + 3)	1,79,398	1,48,394	83	11
5.	Recovery of Loans and Advances	507	150	30	0
6.	Other Receipts [#]	0	0	*	0
7.	Borrowings & Other Liabilities ³	49,289	44,688	91	3
8.	Total Capital Receipts (5 + 6 + 7)	49,796	44,838	90	3
9.	Total Receipts (4 + 8)	2,29,194	1,93,232	84	15
10.	Total Revenue Expenditure (13+ 15+17+19)	1,94,702	1,77,921	91	14
11.	Expenditure on Interest Payment	36,065	33,782	94	3
12.	Total Capital Expenditure (14 + 16+18)	30,478	13,034	43	1
13.	General Sector Revenue Expenditure	72,324	70,684	98	5
14.	General Sector Capital Expenditure	1,422	546	38	0
15.	Social Sector Revenue Expenditure	83,046	78,847	95	6
16.	Social Sector Capital Expenditure	10,882	3,950	36	0
17.	Economic Sector Revenue Expenditure	38,786	27,941	72	2
18.	Economic Sector Capital Expenditure	18,174	8,538	47	1
19.	Grant-in aid Contributions	546	449	82	0
20.	Loans and Advances	4,014	2,277	57	0
21.	Total Expenditure (10 + 12+20)	2,29,194	1,93,232	84	15
22.	Revenue Deficit (4-10)	(-) 15,304	(-) 29,527	193	(-) 2
23.	Fiscal Deficit (4 + 5 +6 -21)	(-) 49,289	(-) 44,688	91	(-) 3
24.	Primary Deficit (23+11)	(-) 13,224	(-) 10,906	82	(-) 1

¹ GSDP figure of West Bengal for 2020-21 is ₹13,01,017 crore as available from the Ministry of Statistics and Programme Implementation.

² Includes State's Share of net proceeds of Taxes of ₹44,737 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 Cash Balance.

[#] 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.

What do 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 2021 is ₹29,527 crore.

1.6. Fiscal Responsibility and Budget Management Act, 2010

In terms of Section 3(1) of the West Bengal Fiscal Responsibility and Budget Management (FRBM) Act, 2010, the Government of West Bengal presented the Medium Term Fiscal Policy and Strategy Statement along with the State Budget for 2020-21. The performance of the State Government during 2020-21 depicted in the Overview of Fiscal Policy and Status of the State, included in the Fiscal Policy Strategy Statement for 2020-21 and as depicted in the Finance Accounts is given below:

Sl. No.	Targets	Achievements during the year as per the accounts and GSDP*
1.	Revenue Deficit shall not exceed 2.54 <i>per cent</i> of GSDP during the period 2020-21.	The Government of West Bengal had a Revenue Deficit of ₹29,527.31 crore in 2020-21 (2.27 <i>per cent</i> of GSDP).
2.	Fiscal deficit shall not exceed 5.00 <i>per cent</i> of GSDP during the period 2020-21.	The Fiscal Deficit of ₹44,687.65 crore as per the accounts was 3.43 <i>per cent</i> of GSDP for 2020-21.
3.	Outstanding debt expressed as percentage of GSDP shall be less than 34.30 <i>per cent</i> of GSDP during 2020-21.	The outstanding debt for 2020-21 (₹4,86,429.81@ crore) was 37.39 <i>per cent</i> of GSDP.
4.	Primary Deficit	₹10,906.14 crore

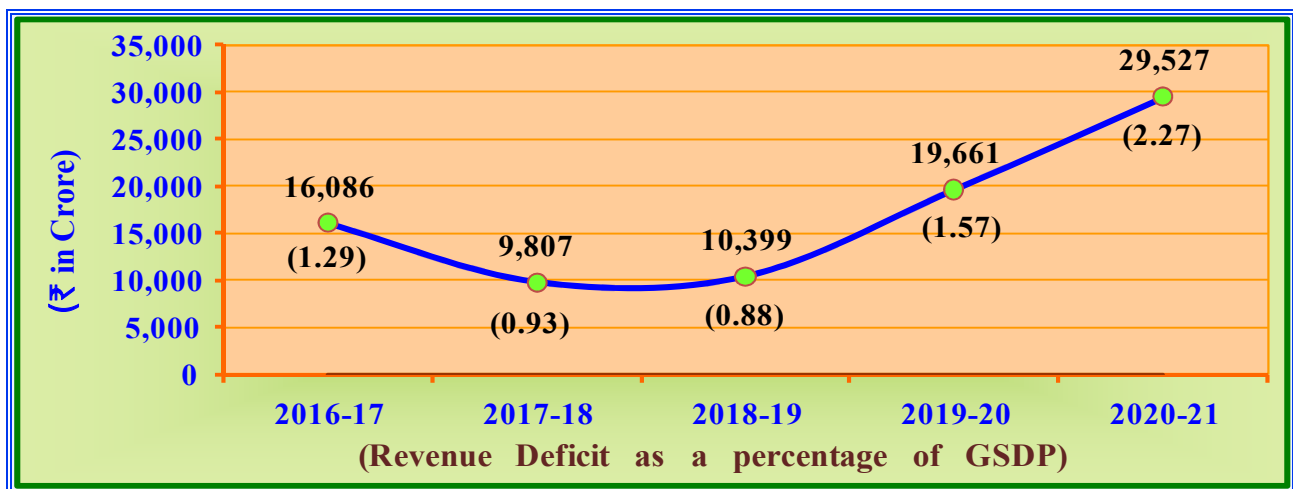
* **GSDP** (Gross State Domestic Product) of West Bengal for 2020-21 is ₹13,01,017.00 crore as available from the Ministry of Statistics and Programme Implementation.

@ ₹4,431.00 crore which was passed on as back to back loans by GoI in lieu of shortfall in GST Compensation need not be taken into account for calculating total debt for comparison vide GoI's letter No. F. No. 40(I) PF-S/2021-22 dated 10.12.2021, record subsequently. If this is taken into account the outstanding debt for 2020-21 (₹4,81,998.81 crore) is 37.05 *per cent* of GSDP.

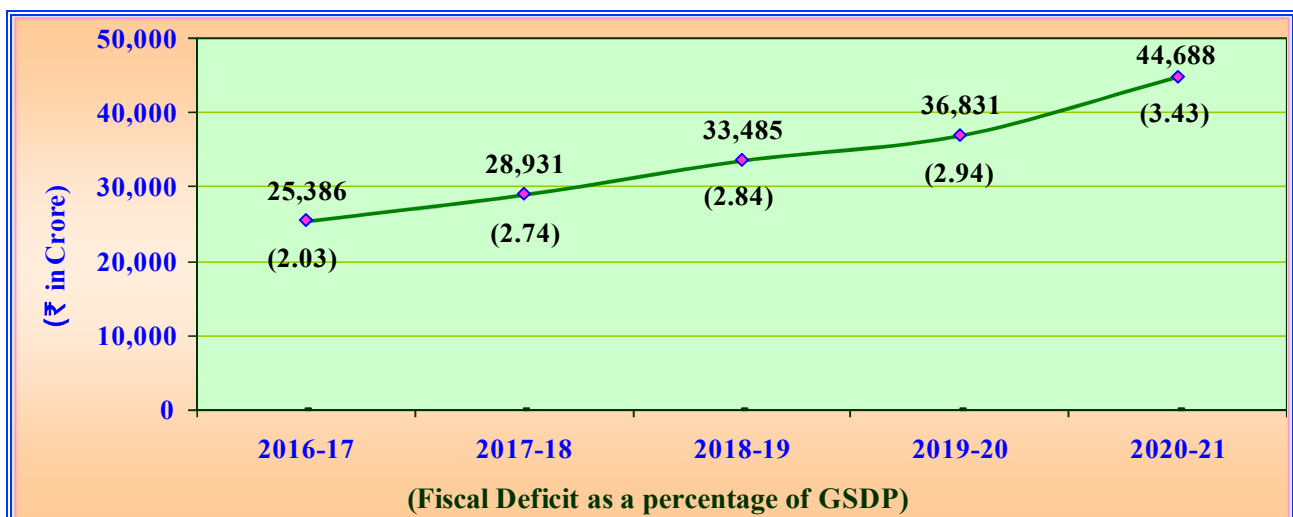
The status of target and achievement is required to be disclosed by the State Government in the Legislature at the time of presentation of the Budget for 2020-21 as stipulated by the FRBM Act and Rules. In this context,

- (i) no disclosure has been made on significant changes in the Accounting Standards, policies and practices affecting or likely to affect the compliance of the prescribed fiscal indicators; and
- (ii) no disclosure has been made in respect of Major Works and Contracts, Committed liabilities in respect of land acquisition charges, claims in respect of unpaid bills on works and supplies, Statement of Assets and in respect of weighted average Interest Rates on Government Liabilities.

1.6.1. Trend of Revenue Deficit/GSDP



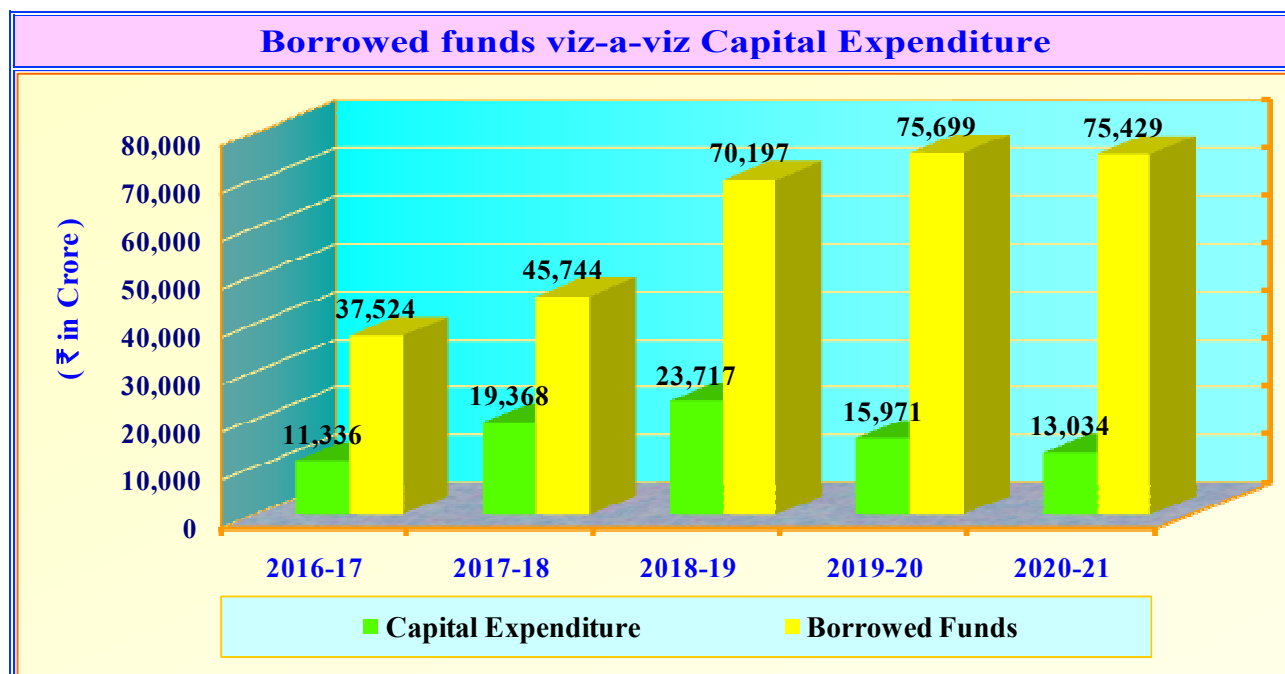
1.6.2. Trend of Fiscal Deficit/GSDP



1.6.3. Proportion of borrowed funds spent on Capital Expenditure

(₹ in Crore)

Borrowed Funds and Capital Expenditure		
Year	Capital Expenditure	Borrowed Funds
2016-17	11,336	37,524
2017-18	19,368	45,744
2018-19	23,717	70,197
2019-20	15,971	75,699
2020-21	13,034	75,429



The governments usually run fiscal deficits and borrow funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating revenue. 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 17 *per cent* of the borrowings of the current year (₹75,429 crore) on Capital Expenditure (₹13,034 crore). 83 *per cent* (₹62,395 crore) of the Public Debt was utilised 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

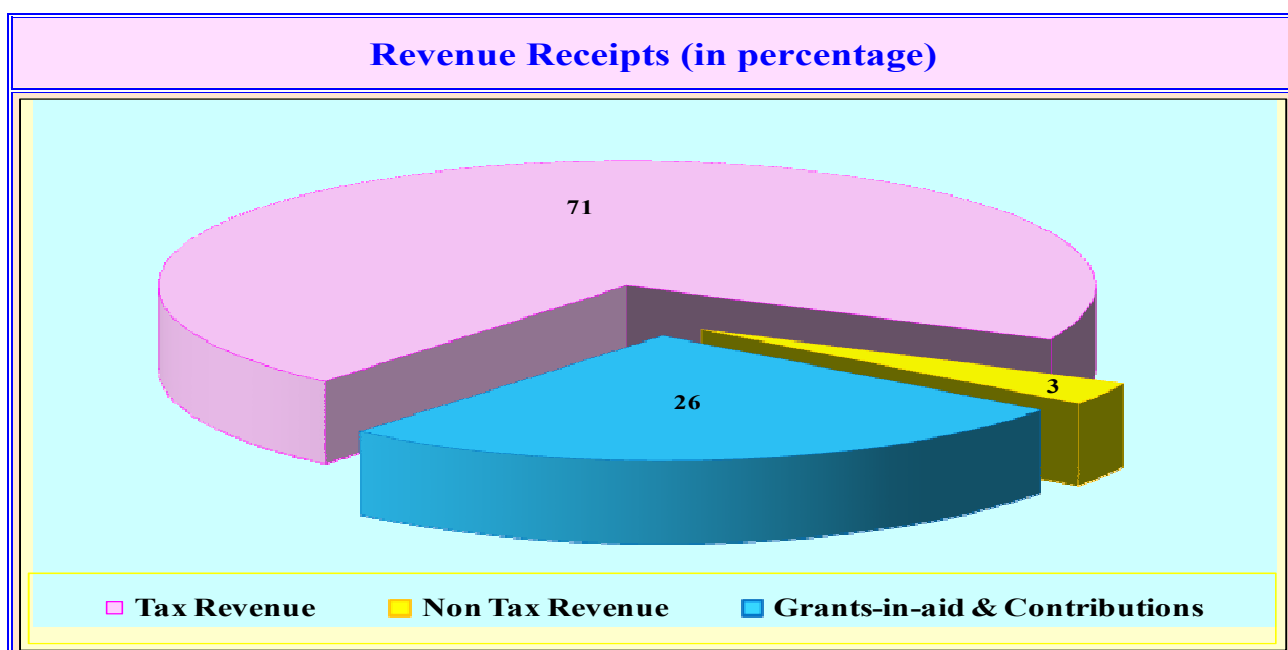
CONSOLIDATED FUND-RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts of the Government of West Bengal during 2020-21 were ₹1,93,232 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	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.



2.2.1. Revenue Receipt Components

(₹ in Crore)

Components	Actuals
A. Tax Revenue	1,05,024
Goods and Services Tax	39,295
Taxes on Income & Expenditure	27,954
Taxes on Property and Capital Transactions	8,283
Taxes on Commodities & Services	29,492
B. Non-Tax Revenue	5,199
Interest Receipts, Dividends and Profits	2,826
General Services	1,605
Social Services	350
Economic Services	418
C. Grants-in-aid & Contributions	38,171
Total – Revenue Receipts	1,48,394

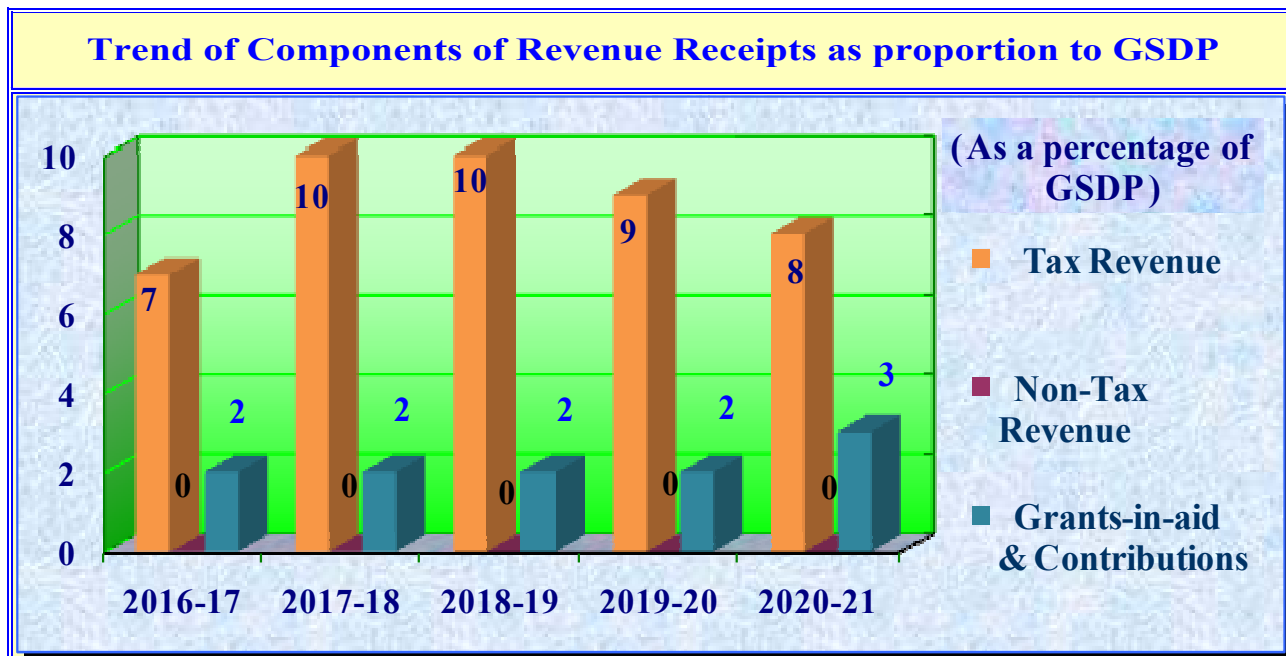
2.2.2. Trend of Revenue Receipts

(₹ in Crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenue	90,091 (7)	1,02,042 (10)	1,16,508 (10)	1,08,718 (9)	1,05,024 (8)
Non-Tax Revenue	2,950 (0)	3,117 (0)	3,657 (0)	3,213 (0)	5,199 (0)
Grants-in-aid and Contributions	24,791 (2)	26,111 (2)	25,810 (2)	30,983 (2)	38,171 (3)
Total Revenue Receipts	1,17,832 (9)	1,31,270 (12)	1,45,975 (12)	1,42,914 (11)	1,48,394 (11)
GSDP	12,51,067	10,56,153	11,77,586	12,53,832	13,01,017

Note: Figures in parentheses represent percentage to GSDP.

The GSDP increased by 4 *per cent* between 2019-20 and 2020-21 and the increase in revenue collection was 4 *per cent*. While tax revenue decreased by 3 *per cent*, non-tax revenues increased by 62 *per cent*. The State's own tax revenue decreased by 0.63 *per cent* between 2019-20 (₹60,669 crore) and 2020-21 (₹60,287 crore), while share of Union taxes decreased by 6.89 *per cent* (₹48,049 crore in 2019-20 and ₹44,737 crore in 2020-21).



2.3. Tax Revenue

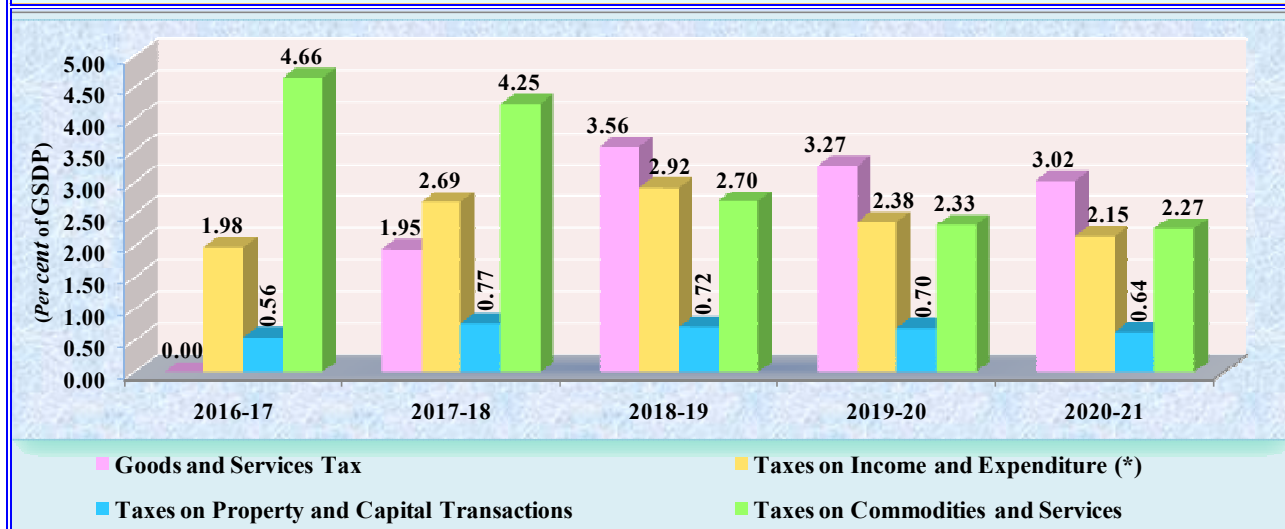
(₹ in Crore)

Sector-wise Tax Revenue					
Description	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Services Tax	-	20,645	41,932	40,942	39,295
Taxes on Income and Expenditure	24,778	28,400	34,345	29,809	27,954
Taxes on Property and Capital Transactions	6,984	8,135	8,474	8,755	8,283
Taxes on Commodities and Services	58,329	44,862	31,757	29,212	29,492
Total Tax Revenue	90,091	1,02,042	1,16,508	1,08,718	1,05,024

The decrease in total Tax Revenues is mainly attributable to lower collections under, 'Corporation Tax', 'State Goods and Services Tax (SGST)', 'Customs', 'Union Excise Duties', 'State Excise', 'Stamps and Registration Fees', 'Central Goods and Services Tax (CGST)', 'Taxes on Vehicles', 'Taxes and Duties on Electricity', 'Miscellaneous General Services', 'Other Taxes and Duties on

Commodities and Services', 'Dividends and Profits', 'Other Administrative Services', 'Police', 'Non-ferrous Mining and Metallurgical Industries', 'Education, Sports, Art and Culture', 'Other General Economic Services', 'Dairy Development', 'Public Service Commission', 'Food Storage and Warehousing', etc.

Trend of Major taxes in proportion to GSDP



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

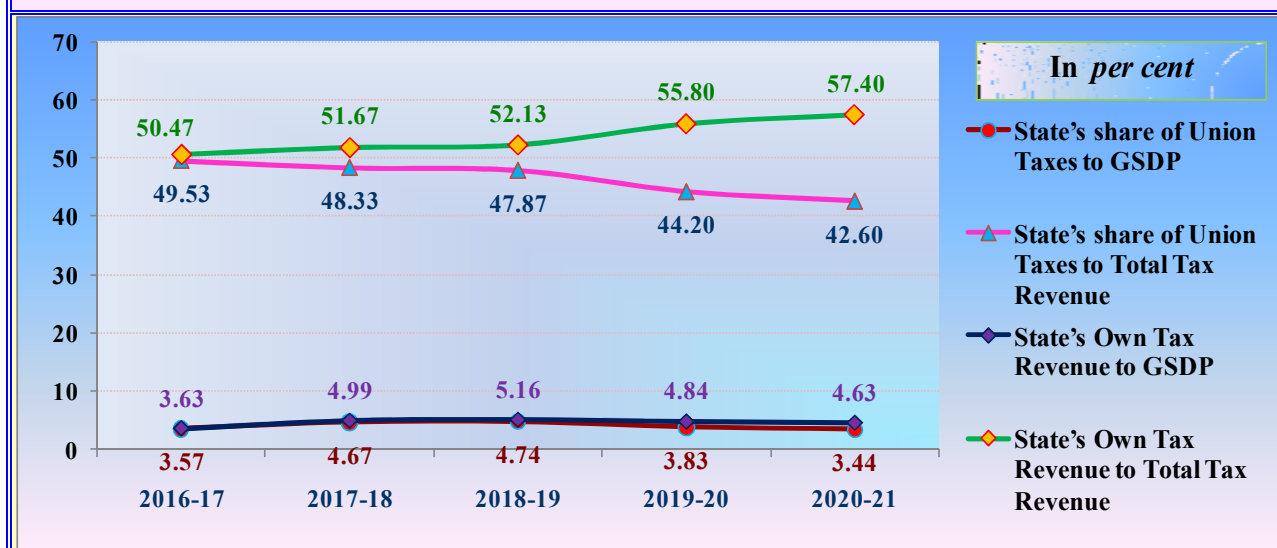
2.3.1. State's Own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's Own Tax collections and devolution of Union Taxes.

(₹ in Crore)

Year	State's Own Tax Revenue			State's share of Union Taxes		
	Tax Revenue	Percentage to GSDP	Percentage to Total Tax Revenue	Tax Revenue	Percentage to GSDP	Percentage to Total Tax Revenue
2016-17	45,466	3.63	50.47	44,625	3.57	49.53
2017-18	52,721	4.99	51.67	49,321	4.67	48.33
2018-19	60,732	5.16	52.13	55,776	4.74	47.87
2019-20	60,669	4.84	55.80	48,049	3.83	44.20
2020-21	60,287	4.63	57.40	44,737	3.44	42.60

State's Own Tax and State's share of Union Taxes



2.3.2. Trends in State's Own Tax Collection over the last five years

(₹ in Crore)

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Services Tax (SGST)	-	14,964	27,067	27,307	26,013
Land Revenue	2,568	2,875	2,847	2,728	2,756
Stamps and Registration Fees	4,383	5,261	5,620	6,026	5,528
State Excise	5,226	9,340	10,622	11,232	10,666
Sales Tax	27,983	12,999	7,813	7,161	9,394
Taxes on Goods and Passengers	934	1,532	435	34	322
Taxes on Vehicles	1,870	2,317	2,563	2,601	2,336
Other Taxes on Income and Expenditure	509	529	561	589	597
Others	1,993	2,904	3,204	2,991	2,675
Total State's Own Tax	45,466	52,721	60,732	60,669	60,287

2.4. Efficiency of Tax Collection

(₹ in Crore)

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Services Tax					
Revenue Collection		14,964	27,067	27,307	26,013
Expenditure on Collection		0	169	179	203
Efficiency of Tax Collection (in per cent)		0	0.62	0.66	0.78
Land Revenue					
Revenue Collection	2,568	2,875	2,847	2728	2,756
Expenditure on Collection	574	553	581	610	672
Efficiency of Tax Collection (in per cent)	22.35	19.23	20.41	22.36	24.38
Stamps and Registration Fees					
Revenue Collection	4,383	5,261	5,620	6026	5,528
Expenditure on Collection	130	137	149	166	179
Efficiency of Tax Collection (in per cent)	2.97	2.60	2.65	2.75	3.24
State Excise					
Revenue Collection	5,226	9,340	10,622	11,232	10,666
Expenditure on Collection	109	118	123	126	146
Efficiency of Tax Collection (in per cent)	2.09	1.26	1.16	1.12	1.37
Taxes on Sales, Trade, etc.					
Revenue Collection	27,983	12,999	7,813	7161	9,394
Expenditure on Collection	203	226	64	64	71
Efficiency of Tax Collection (in per cent)	0.73	1.74	0.82	0.89	0.76
Taxes on Vehicles					
Revenue Collection	1,870	2,317	2,563	2,601	2,336
Expenditure on Collection	25	26	30	52	45
Efficiency of Tax Collection (in per cent)	1.34	1.12	1.17	2.00	1.93
Other Taxes on Income and Expenditure					
Revenue Collection	509	529	662	589	597
Expenditure on Collection	4	5	5	5	6
Efficiency of Tax Collection (in per cent)	0.79	0.95	0.76	0.85	1.01

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

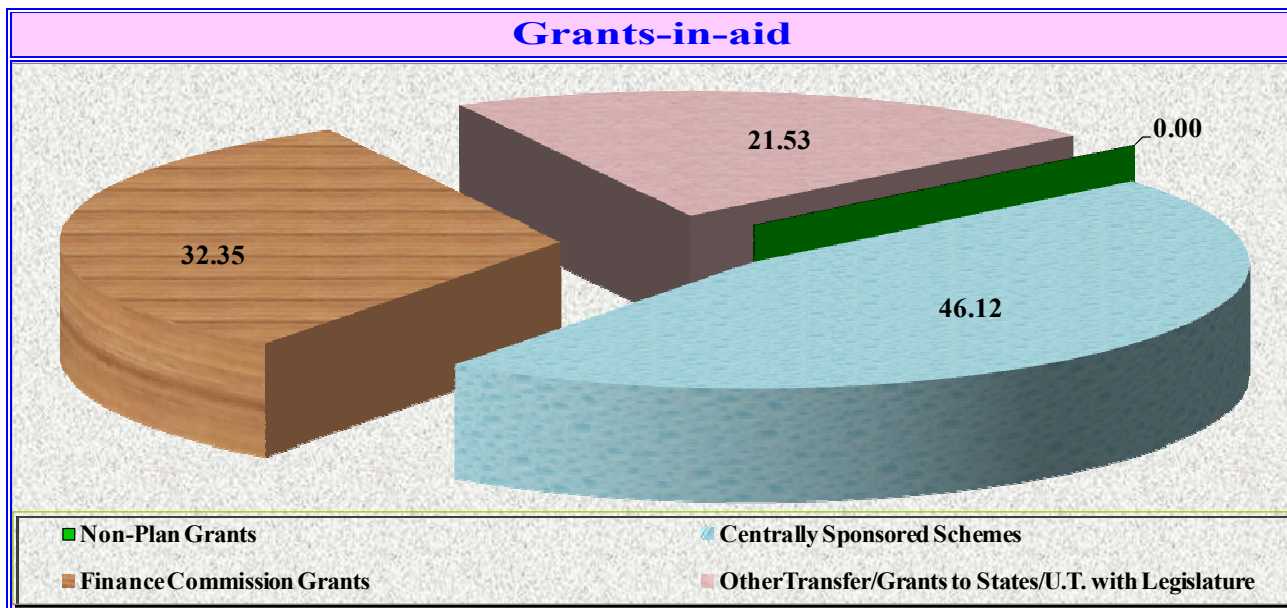
(₹ in Crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Services Tax	--	5,681	14,865	13,635	13,282
Corporation Tax	14,314	15,107	19,397	16,383	13,508
Taxes on Income other than Corporation Tax	9,948	12,757	14,285	12,837	13,849
Taxes on Wealth	33	--	7	1	0
Customs	6,157	4,979	3,954	3,046	2,368
Union Excise Duties	7,031	5,204	2,627	2,117	1,502
Service Tax	7,142	5,594	511	0	195
State's Share of Union Taxes	44,625	49,321	55,776	48,049	44,737
Other Taxes and Duties on Commodities and Services	0	0	130	30	33
Total Tax Revenue	90,091	1,02,042	1,16,508	1,08,718	1,05,024
Per cent of State's Share of Union Taxes & Duties to Total Tax Revenue	50	48	48	44	43

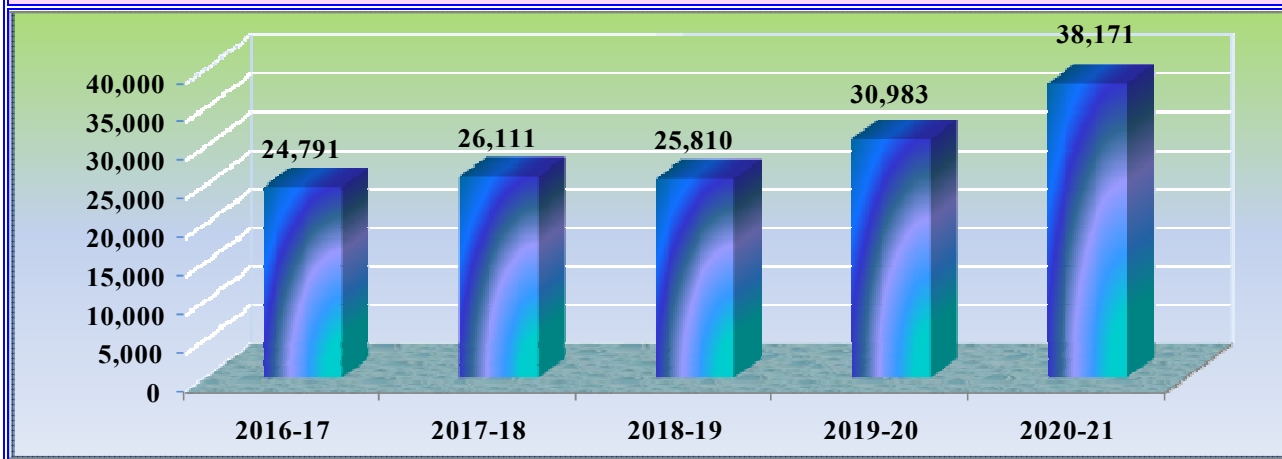
2.6. Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise, Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfer/Grants to States/Union Territory with Legislature 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 remains zero *per cent* during 2019-20 and 2020-21. The State received only ₹38,171.37 crore (99 *per cent* of the budget estimate of total grants of ₹38,490.00 crore) against ₹30,983.54 crore (96 *per cent* of the budget estimate of total grants of ₹32,398.28 crore) received last year. Total receipts during 2020-21 under Grants-in-aid were ₹38,171.37 crore and sector wise breakup is shown below:



Trend of Grants-in-aid



2.7. Public Debt

(₹ in Crore)

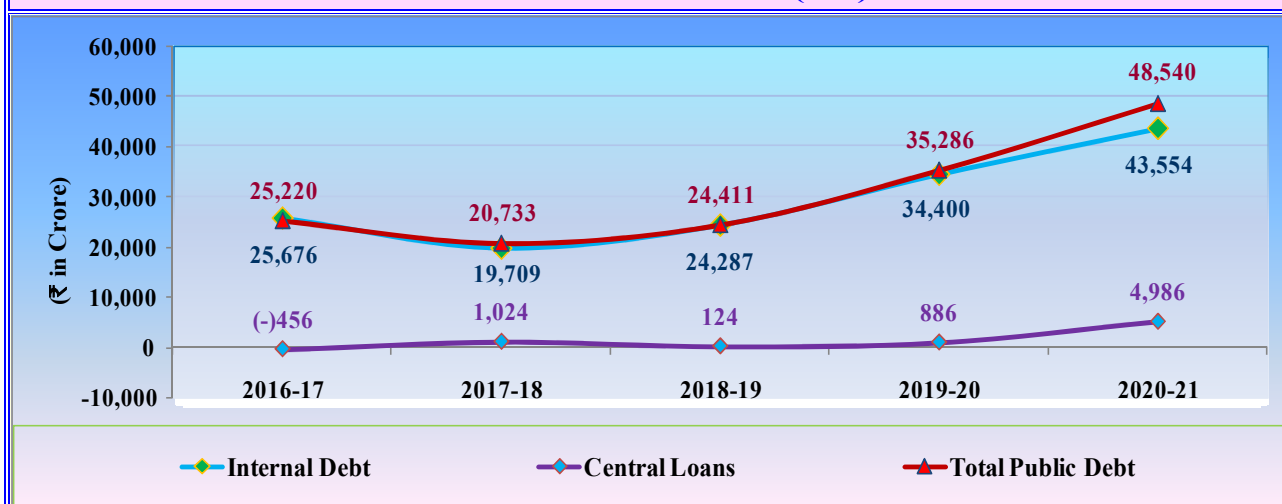
Trend of Public Debt (net) over the past five years

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Internal Debt	25,676	19,709	24,287	34,400	43,554
Central Loans	(-)456	1,024	124	886	4,986
Total Public Debt	25,220	20,733	24,411	35,286	48,540

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

In 2020-21, 29 loans at par totaling ₹59,680 crore at interest rates varying from 6.46 *per cent* to 7.25 *per cent* and redeemable upto the year 2040-41 were raised from the open market. In addition, the State Government raised ₹9,319 crore from financial institutions (including other adjustments). Thus, the internal debt totaled ₹68,999 crore. During 2020-21 Government of West Bengal also received ₹6,430 crore from Government of India as loans and advances.

Trend of Public Debt (net)



2.8. Goods and Services Tax

Goods and Services Tax (GST) was introduced with effect from 1 July 2017. During the year 2020-21, the State GST collection was ₹26,013.41 crore compared to ₹27,307.52 crore in 2019-20, registering a decrease of ₹1,294.11 crore (4.74 *per cent*). This includes Advance Apportionment of IGST amounting to ₹1,906.95 crore. In addition, the State received ₹13,281.52 crore as its share of net proceeds assigned to the State under Central Goods and Services Tax. The total receipts under GST were ₹39,294.93 crore. The State received, compensation of ₹5,293.87 crore on account of loss of revenue arising out of implementation of GST during 2020-21. The Central Government has provided Back to Back Loan of ₹4,431.00 crore to the State during the year 2020-21, in lieu of GST Compensation shortfall.

2.9. Bookings under Minor Head 800 - Other Receipts

The Minor Head 800-Other Receipts is to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head 800 should be discouraged, since it renders the accounts opaque.

During the year 2020-21, ₹2,591.94 crore under 52 Major Heads of Account, constituting 1.75 *per cent* of the total Revenue Receipts (₹1,48,393.97 crore) was classified under 800-Other Receipts in the accounts.

CHAPTER-III

CONSOLIDATED FUND-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 ₹1,77,921 crore for 2020-21 was 91 *per cent* of budget estimates of ₹1,94,702 crore. The shortfall/excess of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Budget Estimates	1,29,531	1,42,644	1,61,703	1,81,536	1,94,702
Actuals	1,33,918	1,41,077	1,56,374	1,62,575	1,77,921
Gap	(-)4,387	1,567	5,329	18,961	16,781
Percentage of gap over BE	(-)3	1	3	10	9

The position of committed and uncommitted expenditure over the last five years is given below:

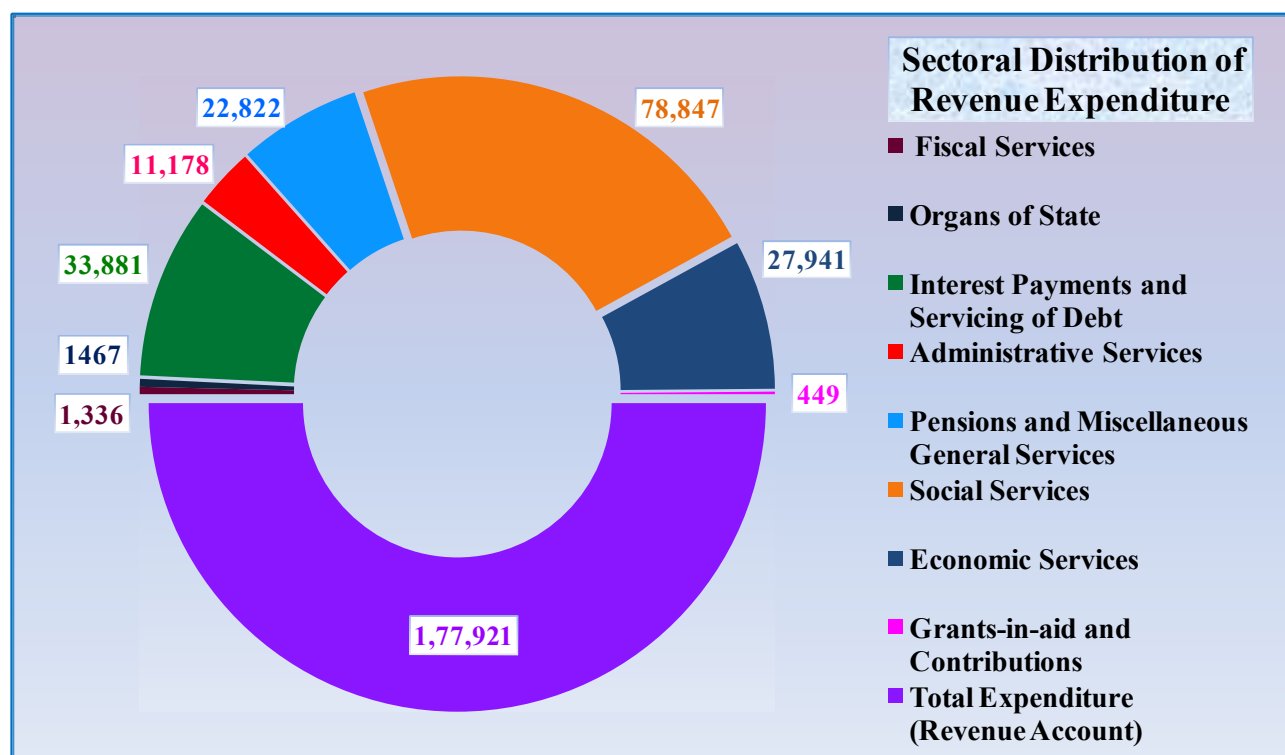
(₹ in Crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Total Revenue Expenditure	1,33,918	1,41,077	1,56,374	1,62,575	1,77,921
Committed Revenue Expenditure[#]	62,611	68,378	73,692	75,755	87,492
Percentage of Committed Revenue Expenditure to total Revenue Expenditure	47	48	47	47	49
Uncommitted Revenue Expenditure	71,307	72,699	82,682	86,820	90,429

[#] Committed revenue expenditure includes expenditure on Salaries, Subsidies, Interest Payment and Pension.

3.2.1. Sectoral Distribution of Revenue Expenditure

Components	Amount	Percentage
	(₹ in Crore)	
A. Fiscal Services	1,336	0.75
(i) Collection of Taxes on Income and Expenditure	6	0.00
(ii) Collection of Taxes on Property and Capital transactions	852	0.48
(iii) Collection of Taxes on Commodities and Services	471	0.27
(iv) Other Fiscal Services	7	0.00
B. Organs of State	1,467	0.83
C. Interest Payments and Servicing of Debt	33,881	19.04
D. Administrative Services	11,178	6.28
E. Pensions and Miscellaneous General Services	22,822	12.83
F. Social Services	78,847	44.32
G. Economic Services	27,941	15.70
H. Grants-in-aid and Contributions	449	0.25
Total Expenditure (Revenue Account)	1,77,921	100.00

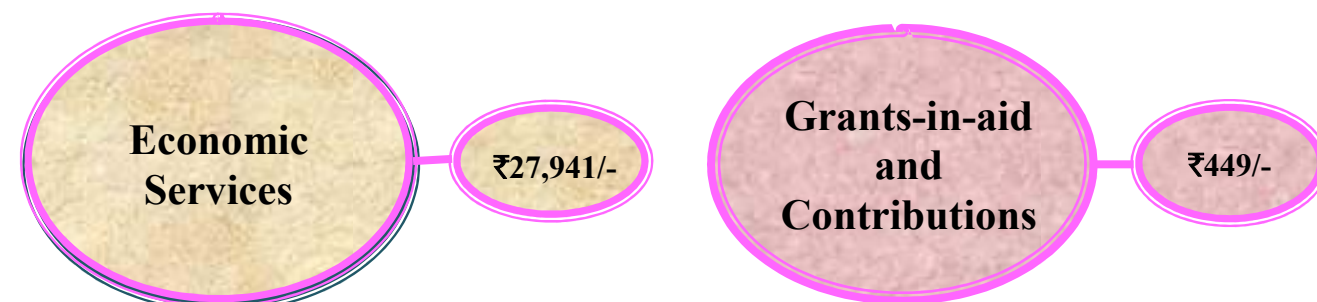
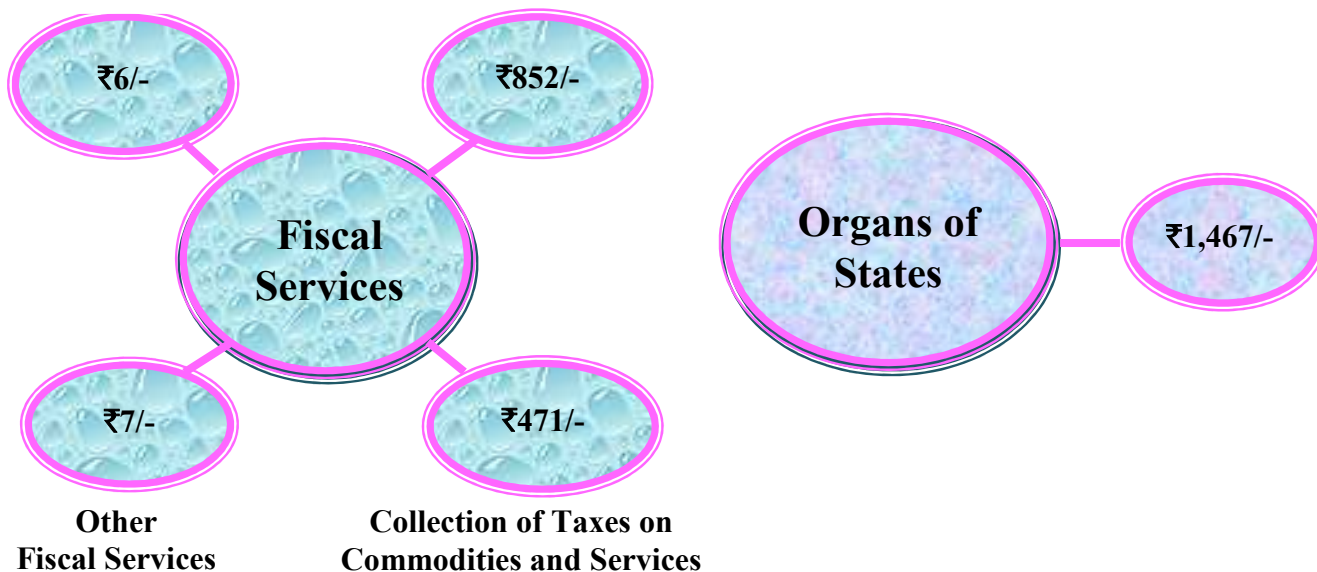


Distribution of Revenue Expenditure

(₹ in Crore)

**Collection of
Taxes on Income
and Expenditure**

**Collection of Taxes
on Property and
Capital transactions**

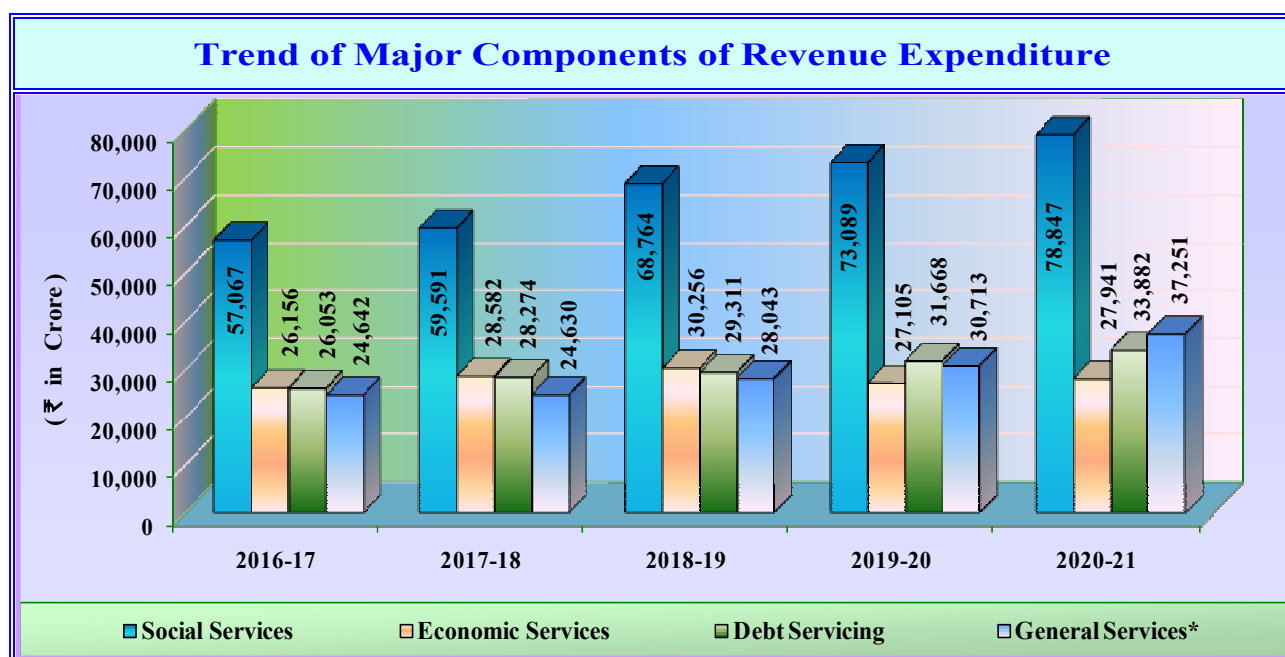


3.2.2. Major components of Revenue Expenditure

(₹ in Crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Social Services	57,067	59,591	68,764	73,089	78,847
Economic Services	26,156	28,582	30,256	27,105	27,941
Debt Servicing	26,053	28,274	29,311	31,668	33,882
General Services*	24,642	24,630	28,043	30,713	37,251

* 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.

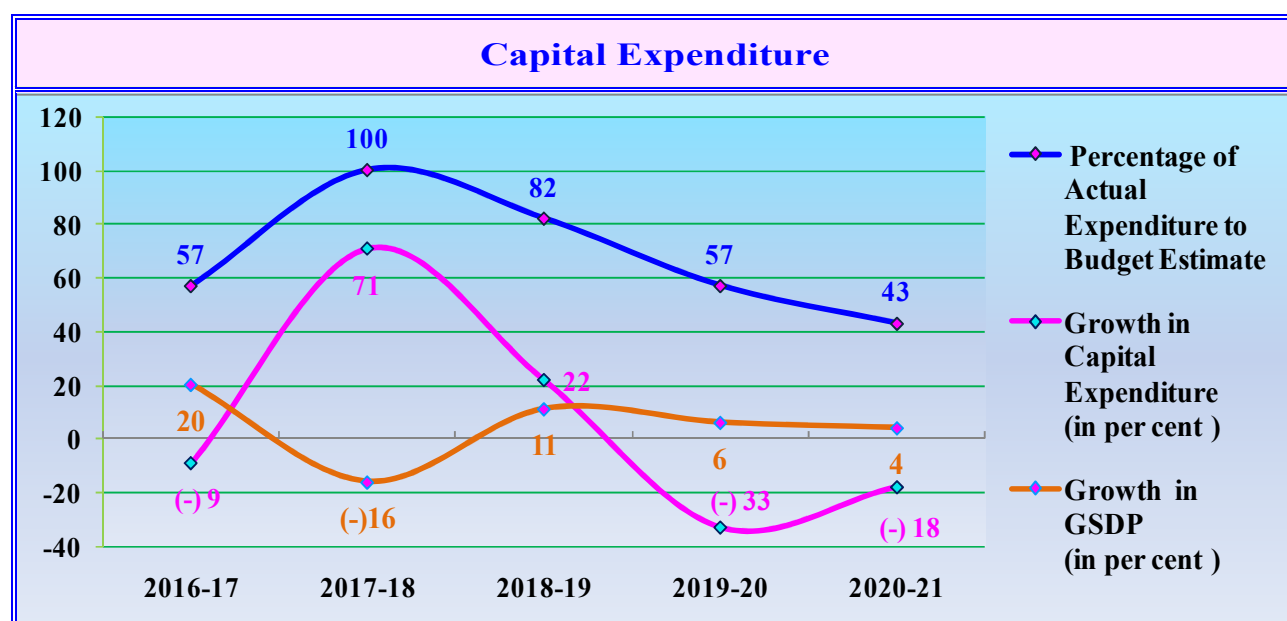
3.3. Capital Expenditure

Capital disbursements for 2020-21 amounting to ₹15,311 crore (including Loans and Advances) at 1.18 *per cent* of GSDP. Over the last five years, Capital Expenditure has declined with respect to its budget. This can be viewed from the table given next page:

Sl. No.	Components	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Budget (B.E.)	19,841	19,285	28,781	27,977	30,478
2.	Actual Expenditure(#)	11,336	19,368	23,717	15,971	13,034
3.	Percentage of Actual Expenditure to B.E.	57	100	82	57	43
4.	Growth in Capital Expenditure (in per cent)	(-) 9	71	22	(-) 33	(-) 18
5.	GSDP (*)	12,51,067	10,56,153	11,77,586	12,53,832	13,01,017
6.	Growth in GSDP (in per cent)	20	(-) 16	11	6	4

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

(*) GSDP figure used in this publication is adopted from the Ministry of Statistics and Programme Implementation.



3.3.1 Sectoral Distribution of Capital Expenditure

Expenditure on Economic Services constitutes the major chunk of Capital Expenditure. During 2020-21, the Government spent ₹3,134 crore on Transport, ₹1,666 crore on Irrigation and Flood Control, ₹561 crore on Special Areas Programmes, ₹606 crore on Energy, ₹1,915 crore on Rural Development Programme, ₹157 crore on Industry and Minerals and ₹408 crore on Agriculture and Allied Activities. In Social Services, the Government spent ₹903 crore on Health and Family Welfare, ₹2,213 crore on Water Supply, Sanitation, Housing and Urban Development and ₹314 crore on Social Welfare and Nutrition.

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

(₹ in Crore)

Sl. No.	Sector		2016-17	2017-18	2018-19	2019-20	2020-21
1.	General Services	Capital	854	1,003	927	748	546
		Revenue	50,131	52,416	56,865	61,931	70,684
2.	Social Services	Capital	4,438	7,606	7,324	5,439	3,950
		Revenue	57,067	59,591	68,764	73,089	78,847
3.	Economic Services	Capital	6,045	10,759	15,467	9,783	8,538
		Revenue	26,156	28,582	30,256	27,105	27,941
4.	Grants-in-aid and Contribution	Capital	--	--	--	--	--
		Revenue	52,675	54,965	57,589	61,622	63,131

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

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

3.4. Bookings under Minor Head 800-Other Expenditure

The Minor Head 800-Other Expenditure is to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head 800 should be discouraged, since it renders the accounts opaque.

During the year 2020-21, ₹6,705.82 crore under 62 Major Heads of accounts, constituting 3.51 *per cent* of the total Revenue and Capital expenditure (₹1,90,955.02 crore) was classified under the Minor Head 800-Other Expenditure in the accounts.

3.5. Liabilities under Retirement benefits

The expenditure on “Pension and other Retirement Benefits” for State Government employees during the year 2020-21 was ₹21,388.54 crore during the year (excluding expenditure on National Pension System of All India Service officers).

3.6. Transfer of Funds to various Implementing Agencies

The State Government provides funds to State/District Level Agencies/Autonomous Bodies and Authorities, Societies, Non-Governmental Organizations etc., as grants for implementation of Central Sector Schemes, Centrally Sponsored Schemes and State Schemes. During 2020-21, an amount of ₹63,131.20 crore was given by the State Government to various implementing agencies for implementation of Government schemes/works/programmes. The aggregate amount of unspent balances in the accounts of the implementing agencies kept outside the Government Accounts (in bank Accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not final.

3.7. Direct transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget)

As per PFMS portal of CGA, ₹26,197.54 crore was directly received by the implementing agencies in the State during 2020-21. The total amount transferred by the Central Government to the State during the year 2020-21 was ₹71,015.07 crore (including amount transferred through RBI).

Out of total amount of ₹26,197.54 crore, ₹26,195.95 crore was transferred to the intermediaries (i.e. NGOs, Societies etc.) and ₹1.59 crore directly to the beneficiaries.

The direct transfer of fund to the implementing agencies has increased by 124.35 *per cent* as compared to 2019-20 (from ₹11,677.11 crore in 2019-20 to ₹26,197.54 crore in 2020-21).

3.8. Investments

Information on Government investments appearing in Statements 8 and 19 of the Finance Accounts is based on the accounts and sanctions received by the Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The Government invested ₹133.95 crore in 2020-21. Government investment of ₹18,288.32 crore as on 31 March 2021 yielded dividend of ₹1.99 crore (0.01 *per cent*) during 2020-21. Details of Government investment as on 31 March 2021 are given as follows:

(₹ in Crore)			
Sl. No.	Category	Number of entities	Investment at the end of the year 2020-2021
1.	Statutory Corporation	6	733.27
2.	Government Companies	54	16,329.86
3.	Other Joint Stock Companies and Partnership	38	296.26
4.	Co-operative Banks & Societies	2,095	928.93
Total:		2,193	18,288.32

3.9. Personal Deposit (PD) Accounts

PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme; by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443-Civil Deposits and the Minor Head 106-Personal Deposits. Administrators of PD accounts are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund.

During 2020-21, an amount of ₹746.33 crore was transferred from the Consolidated Fund of the State to these PD Accounts and an amount of ₹551.48 crore was credited through challans. This includes ₹368.82 crore transferred in March 2021 from the Consolidated Fund of the State. This is 28.42 *per cent* of the total credit to PD account during the year, of which, ₹25.17 crore was transferred on the last working day of March 2021.

In terms of Rule 6.08(5) of the West Bengal Treasury Rules, 2005, the Administrator of Personal Deposit Account shall make necessary verification and reconciliation of the balances with the Treasury and shall furnish a certificate to the Treasury Officer on or before 15 May every year. The Treasury Officer shall verify the said certificate with treasury record and send a report of verification of such balances to the Principal Accountant General (A&E) by 31 May every year.

Eight Administrators (out of 160) of Personal Deposit Accounts had reconciled and verified their balances with the treasury figures and eight annual verification certificates were furnished by them to the Treasury Officer for onward submission to Accountant General office.

Details of PD accounts as on 31.03.2021 are given below:

(₹ in Crore)

Opening Balance as on 01 April 2020		Addition during the year 2020-21		Closed/Withdrawal during the year 2020-21		Closing Balance as on 31 March 2021	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
160	5,239.64	0	1,297.81	0	3,072.12	160	3,465.33

West Bengal Treasury Rules, 2005, state that the Administrator shall maintain detailed account of the schemes/projects for which it has been opened. However, if any PD Account is not operated upon for a period of two years and there is reason to believe that the need for such deposit accounts has ceased, the same shall be closed. Inspection of 29 treasuries conducted during 2020-21 in respect of transactions for the year 2019-20 revealed that 37 schemes under PD accounts of 4 operators with balance amounting to ₹22.92 crore were lying inoperative for more than two years. The information regarding Lapsable and Non-Lapsable PD accounts is not available from the Government of West Bengal.

3.10. 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. Delayed submission or prolonged non-submission of supporting DC Bills renders expenditure through AC Bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final.

Out of 1,940 AC bills amounting to ₹769.56 crore drawn during the year 2020-21, 1,304 AC bills amounting to ₹475.06 crore (61.73 *per cent*) were drawn in March 2021. DC Bills in respect of a total of 11,321 AC bills amounting to ₹3,399.83 crore as on 31.03.2021 were not received. Details of unadjusted AC bills as on 31 March 2021 pending submission of DC bills are given in next page:

Year	No. of unadjusted AC Bills	Amount (₹ in Crore)
Upto 2018-19	8,399	1,882.57
2019-20	1,161	757.61
2020-21	1,761	759.65
Total	11,321	3,399.83

3.11. Utilisation Certificates (UCs) for Grants-in-aid not received

In terms of Subsidiary Rules 330A of the West Bengal Treasury Rules (WBTR), Utilization Certificates (UCs) in respect of a Grants-in-aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within one year from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, there is no assurance that the amount shown in Finance Accounts had reached the beneficiaries' end and thus the expenditure cannot be vouched as correct or final.

During the year 2020-21, ₹5,017.53 crore pertaining to outstanding UCs for the period upto 2019-20 was cleared. The position of outstanding UCs as on 31.03.2021 is given below:

Utilisation Certificates (UCs) for Grants-in-aid not received		
Year*	Number of UCs outstanding	Amount (₹ in Crore)
Upto 2018-19	2,65,075	1,53,042.16
2019-20	67,891	42,812.66
2020-21	61,196 #	33,243.85 #
Total	3,94,162	2,29,098.67

* The year mentioned above relates to "Due year" i.e. after twelve months of actual drawal.

Indicates outstanding UCs against the GIA drawn during 2019-20. UCs for GIA drawn during 2020-21 would be due in 2021-22.

3.12. Restructuring of Centrally Sponsored Schemes (CSSs)/Additional Central Assistance (ACA) excluding Block Grants

Consequent to the merger of Plan/Non-Plan, the Central Assistance released is now classified as Central Assistance/Share under Centrally Sponsored Schemes.

As against ₹44,817.53 crore depicted in the Public Financial Management System (PFMS) portal of Controller General of Accounts (CGA) towards Central Assistance/Share under Centrally Sponsored Schemes of the Government of West Bengal in 2020-21, Clearance Memos from RBI, CAS, Nagpur and supporting sanction orders from the respective Ministries were received for ₹38,171.37 crore (excluding direct transfer to the beneficiaries through PFMS portal by the Central Ministries/Departments). The same have been appropriately booked in the accounts of the State Government under MH 1601 Grants-in-aid from the Central Government.

The total expenditure booked under Centrally Sponsored Schemes is ₹20,196.61 crore (Revenue Expenditure ₹17,224.86 crore and Capital Expenditure ₹2,971.75 crore), which includes expenditure out of Central Assistance and State share for Centrally Sponsored Schemes.

3.13. Expenditure on Ecology and Environment

The National Environment Policy, 2006 is intended to mainstream environmental concerns in all developmental activities. The Budget and Expenditure data relating to “Environment”, “Waste Management”, “Prevention and Control of Pollution”, “Environment Research and Education”, “Environmental Protection” etc. are compiled from the vouchers/budget documents etc. rendered by the State Government.

The expenditure incurred by the State Government towards environment is depicted in the Finance Accounts upto the level of Minor Head under various functional head of accounts. During the year 2020-21, the Government of West Bengal incurred ₹8.04 crore against the budget allocation of ₹27.98 crore under Major Heads 3435- Ecology and Environment. The expenditure incurred during 2020-21 was (₹8.04 crore) 0.005 per cent of Revenue Expenditure (₹1,77,921.28 crore).

3.14. Commitments on account of Incomplete Capital Works

The list of incomplete Capital Works/Project reported in Appendix-IX is prepared on the basis of the information received from the State Government.

During the year 16 incomplete projects involving ₹1,377.35 crore are aged three years and more. The escalation in estimated cost of these projects due to delay in completion of the projects/works was not provided by the GoWB.

Intimation collected from Chief Engineers of various State Government Departments reveals that an expenditure of ₹1,377.35 crore was incurred upto 31 March 2021 on Incomplete Capital Projects/Works.

(₹ in Crore)

ABSTRACT OF COMMITMENTS OF INCOMPLETE CAPITAL WORKS					
Period	Buildings amount (No. of Works)	Roads amount (No. of Works)	OTHERS		Amount Involved
			Urban Development amount (No. of Works)	Rural Development amount (No. of Works)	
Upto 2005	-	-	-	-	-
2006-2010	-	-	-	-	-
2011-2015	-	-	-	-	-
2016-2020	-	35.31 (01)	-	-	35.31 (01)
2021-2025	1,342.04 (15)	-	-	-	1,342.04 (15)
Total	1,342.04 (15)	35.31 (01)	-	-	1,377.35 (16)

Note: Wherever expenditure during the year as well as progressive upto the year shown as zero, the no. of works was not considered.

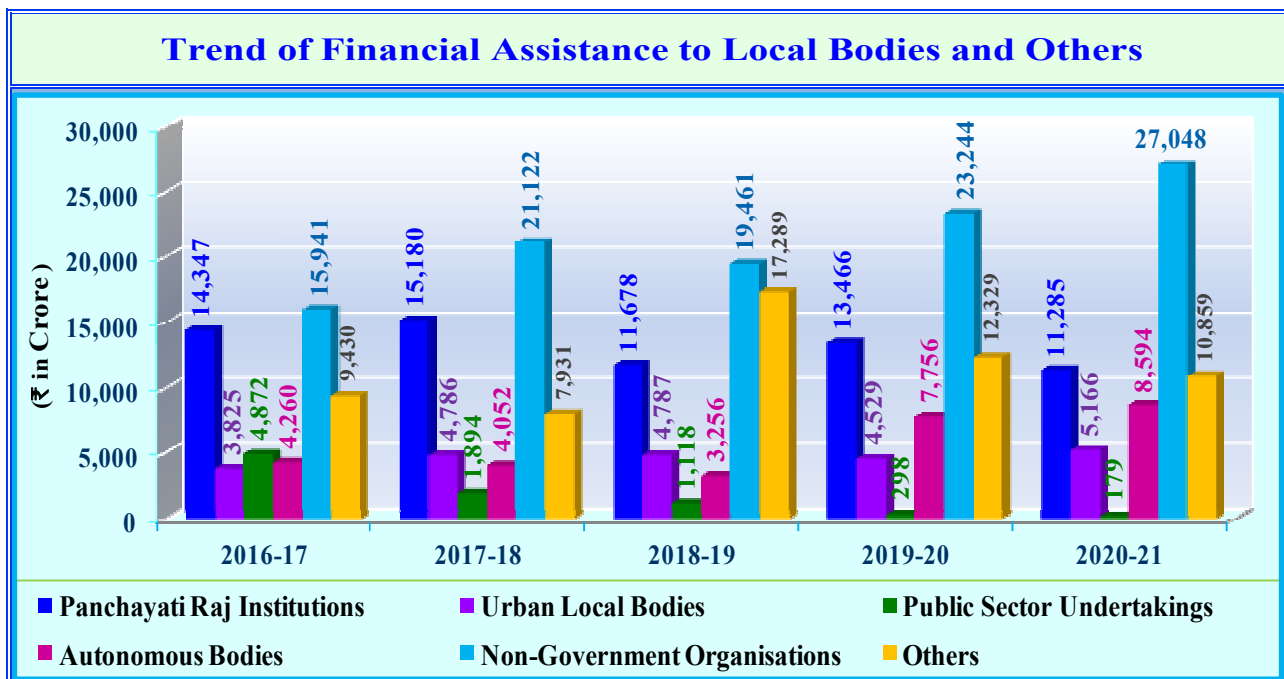
3.15. Financial Assistance to Local Bodies and Others

Expenditure on Grants-in-aid to Local Bodies etc. represents 35 per cent of total Revenue Expenditure. Details of Grants-in-aid for the past five years are given in next page:

(₹ in Crore)

Sl. No.	Grantee Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Panchayati Raj Institutions	14,347	15,180	11,678	13,466	11,285
2.	Urban Local Bodies	3,825	4,786	4,787	4,529	5,166
3.	Public Sector Undertakings	4,872	1,894	1,118	298	179
4.	Autonomous Bodies	4,260	4,052	3,256	7,756	8,594
5.	Non-Government Organisations	15,941	21,122	19,461	23,244	27,048
6.	Others [#]	9,430	7,931	17,289	12,329	10,859
Total		52,675	54,965	57,589	61,622	63,131

This includes Grants for “National Old Age Pension Scheme (State Share)”, “Implementation of Annapurna scheme for Welfare of Aged, infirm and destitute”, “Scheme for financial assistance to the workers in locked-out Industrial Units”, etc.



Note:- Figures based on expenditure under the Object Head “31-Grants-in-aid” and “36-Salary Grants” across Major Heads and under the Major Head “3604-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions”.

Details of Grants-in-aid for creation of Capital Assets for the last five years are given in next page:

(₹ in Crore)

Sl.No.	Grantee Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Panchayati Raj Institutions	1,205.59	3,551.12	5,360.77	6,153.73	8,966.91
2.	Urban Local Bodies	1,779.09	2,083.56	2,335.53	1,060.02	833.62
3.	Public Sector Undertakings	83.64	406.87	42.30	109.68	62.41
4.	Autonomous Bodies	279.63	292.10	588.17	623.52	351.35
5.	Non-Government Organisations	74.27	408.08	130.47	35.21	12.26
6.	Others	1,823.01	618.43	1,556.61	267.13	223.23
Total		5,245.23	7,360.16	10,013.85	8,249.29	10,449.78

3.16. Misclassification between Revenue and Capital Expenditure

During the year 2020-21 Government of West Bengal incorrectly booked expenditure of ₹1,187.00 crore under Capital Section instead of Revenue Section as has been determined from the purpose of expenditure. The impact of misclassification on the Revenue Deficit of the State is given under para 9.7.

CHAPTER-IV

CONTINGENCY FUND

4.1. Contingency Fund

In exercise of the powers conferred by Section 2 of the West Bengal Contingency Fund Act, 1950, the State Government made the West Bengal Contingency Fund Rules, 1955, for regulating all matters connected with or ancillary to the custody of, payment of monies into, and the withdrawal of monies from, the Contingency Fund of the State of West Bengal. The Contingency Fund of the State of West Bengal has a corpus of ₹20.00 crore. At the end of 2020-21, ₹6.70 crore remained un-recouped under various heads. The details are given below:

(₹ in Crore)		
Sl. No.	Major Heads	Amount
1.	2049-Interest Payment	0.01
2.	4216-Capital Outlay on Housing	0.65
3.	4701-Capital Outlay on Major and Medium Irrigation	0.14
4.	4711-Capital Outlay on Flood Control Projects	0.25
5.	5054-Capital Outlay on Roads and Bridges	5.65
Total		6.70

As on 31 March 2021, Contingency Fund has balance of ₹13.30 crore. Non-recupment of Contingency Fund has resulted in understatement of Revenue Deficit and Fiscal Deficit as depicted in para 9.7.

CHAPTER-V

PUBLIC ACCOUNTS

5.1. National Pension System

The National Pension System is not applicable for State Government employees. All India Services (AIS) officers and other Central Government employees on deputation to the State recruited on or after first January 2004 are covered under the National Pension System (NPS), which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 14 *per cent* of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2020-21, total contribution to Defined Contribution Pension Scheme was ₹8.80 crore (Employees contribution ₹3.67 crore and Government contribution ₹5.13 crore). The Government transferred ₹8.80 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme.

During the year 2020-21, ₹8.75 crore was transferred to NSDL/Trustee Bank (out of ₹8.80 crore). The balance amount of ₹0.73 crore (old balance ₹0.68 crore *plus* ₹0.05 crore) is yet to be transferred to NSDL. Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities of the Government under the Scheme.

5.2. Interest Bearing Reserve Fund

5.2.1. State Compensatory Afforestation Fund

In compliance with the instructions issued by the Ministry of Environment and Forests, Government of India's vide their letter No. 5-1/2009-FC dated 28 April, 2009 and Guidelines of 2 July 2009, the State Governments are required to establish the State Compensatory Afforestation Fund for amounts received from user agencies and utilization of monies collected for undertaking Compensatory Afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto.

5.2.1.1. Accounting Arrangements

The monies received by the State Governments from the user agencies need to be credited in 'State Compensatory Afforestation Deposits' under interest bearing section in Public Account of the State at Minor head level below the Major Head 8336-Civil Deposits. As per Section 3(4) of the Compensatory Afforestation Fund Act, 2016, 90 *per cent* of the fund needs to be transferred to the Major Head 8121-General and Other Reserve Funds in Public Account of State and balance 10 *per cent* to be credited into the National Fund on yearly basis provided that, the credit of 10 *per cent* Central share of funds should be ensured on monthly basis so that the same is transferred to the National Fund.

The applicable rate of interest on balances available under 'State Compensatory Afforestation Deposits' under '8336-Civil Deposits' and 'State Compensatory Afforestation Fund' under 8121- General and other Reserve Funds will be as per the rate declared by the Central Government on year to year basis.

5.2.1.2. Status of the State Compensatory Afforestation Fund

During the year 2020-21, no amount has been received from the user agencies and State Government has not received any amount from National Compensatory Afforestation Deposit. An expenditure of ₹3.32 crore was incurred from the fund and the amount was set off under Major head 2406-04-103 during the year. The total balance in the State Compensatory Afforestation Fund as on 31 March 2021 was ₹233.16 crore.

5.2.2. State Disaster Response Fund (SDRF)

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head-‘8121 General & Other Reserve Funds’ which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 75:25. During the year 2020-21, the State Government received ₹1,011.00 crore as Central Government’s share. The State Government’s share during the year is ₹337.00 crore. The State Government transferred ₹1,348.00 crore (Central share ₹1,011.00 crore, State share ₹337.00 crore) to the Fund under Major Head 8121-122 SDRF. The State received ₹2,250.28 crore from the Central Government towards NDRF.

The contributions to the Fund, expenditure and the balance therein are given below:

(₹ in Crore)							
Opening balance (01 April 2020)	Contribution by Centre	State Share	Receipts under NDRF	Total receipts during the year	Amount set off (MH 2245-05)	Balance in the fund	Invested by RBI/ State Government during the year
914.98	1,011.00	337.00	2,250.28	3,598.28	2,820.65	1,692.61	No Government order relating to Investment was received.

The entire expenditure of ₹2,820.65 crore incurred on natural calamities was set off (MH 2245) against the Fund balance of ₹4,513.26 crore. The balance lying under the Fund as at the end of 31 March 2021 was ₹1,692.61 crore.

5.2.3. Interest on balances under ‘interest bearing’ Reserve Funds and Deposits

Government is liable to pay/adjust interest in respect of balances under category J-Reserve Funds (a. Reserve Funds bearing interest) and K-Deposit and Advances (a. Deposits bearing interest), and for this purpose, specific Sub-Major Heads are provided in the List of Major and Minor Heads of Account.

Details of these Funds/Deposits and interest paid by the Government during the year 2020-21 are given in next page:

(₹ in Crore)

Funds/Deposits	Balance on 1 April, 2020	Basis for calculation of interest	Interest due	Interest paid
State Compensatory Afforestation Fund	236.48	Interest calculated taking interest rate as 3.50 <i>per cent</i> on the basis of State Government notification.	8.28	Nil
State Disaster Response Fund	914.98	Interest calculated taking average Ways and Means interest rate as 4.13 <i>per cent</i> for the year 2020-21	37.79	Nil
Total			46.07	Nil

Non-payment of the interest ₹46.07 crore has resulted in understatement of Revenue and Fiscal Deficit as shown under para 9.7.

5.3. Reserve Funds not bearing Interest

5.3.1. Consolidated Sinking Fund

The Government of West Bengal set up the Consolidated Sinking Fund for amortization of loans in 2008-09. According to the guidelines of the Fund, States may contribute a minimum of 0.5 *per cent* of their outstanding liabilities (internal debt + public account) as at the end of the previous year to the Consolidated Sinking Fund. Following are the transactions in the Fund:

(₹ in Crore)

Opening balance as on 01 April 2020	Additions to the Fund (Contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2021
	Required contribution (0.5 per cent of the outstanding liabilities as on 31 March 2020)	Contribution and interest added during the year				
11,788.17	2,167.38	906.65 [@]	2,498.05	10,196.77	906.65	10,196.77 [#]

[@] Includes investment of ₹100.00 crore and re-investment of interest of ₹806.65 crore.

[#] The entire amount has been invested by the RBI.

5.3.2. Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund in 2014 vide notification No. 1240-FB dated 02 January 2015 that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2014-15, stipulates that the State Government shall initially contribute a minimum of 1 *per cent* and thereafter at the rate of 0.5 *per cent* of outstanding guarantees at the end of the previous year to achieve a minimum level of 3 *per cent* in next five years. The Fund shall be gradually increased to a desirable level of 5 *per cent*.

The total accumulation of the Fund was ₹645.89 crore as on 31 March 2021. The entire amount ₹645.89 crore has been invested by RBI. The details are given below.

(₹ in Crore)

Opening balance (01 April 2020)	Additions to the Fund (contribution and interest)			Payments out of the Fund	Total balance in the Fund	Required balance in the Fund (Minimum of 3% of the Total outstanding Guarantees as on 31 March 2020)	Amount invested by RBI during the year 2020-21	Closing balance (31 March 2021)
	Required contribution (0.50 % of Total outstanding Guarantees as on 31 March 2020)	Actuals during 2020-2021						
		Contribution (0.61 % of Total outstanding Guarantees as on 31 March 2020)	Interest					
551.97	40.89	50.00	43.92	0.00	645.89	245.35	93.92	645.89

Transactions in the Fund are depicted in Statements 21 and 22.

5.4. Central Road Fund (CRF)

Government of India provides annual grants under the CRF to the State Government to incur expenditure on specific road projects. In terms of the extant accounting procedure, the grants are to be initially booked as Revenue Receipts under Major Head “1601 Grants-in-aid”. Thereafter the amount so received is to be transferred by the State Government to the Public Account under Major Head “8449-Other Deposits-103 Subvention from Central Road Fund”, through Revenue Expenditure Major Head “3054 Roads and Bridges”. This process ensures that receipt of the grants do not result in overstatement of Revenue Surplus or understatement of Revenue Deficit in the accounts. The expenditure on prescribed road works under CRF will first be accounted for under the relevant Capital or Revenue Expenditure section (Major Heads 5054 or 3054) and reimbursed out of the Public Account under Major Head 8449 as a deduct expenditure to the concerned Major Head (5054 or 3054 as the case may be).

During the year 2020-21 the State Government received grants of ₹136.11 crore towards CRF and transferred an amount of ₹136.11 crore to the Deposit Head 8449 through expenditure Head 3054. The State Government incurred expenditure of ₹292.28 crore from the fund during the year. The closing balance in the fund was ₹69.90 crore as on 31 March, 2021.

5.5. Status of Suspense and Remittance Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads is worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under major suspense heads for the last three years is given in next page:

(₹ in Crore)

Suspense and Remittance balances						
Name of the Major/Minor Head	2018-19		2019-20		2020-21	
8658-Suspense Accounts	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO Suspense	168.06	3.91	187.76	5.63	34.99	-1.13
Net	Dr. 164.14		Dr. 182.13		Dr. 36.12	
102-Suspense Account (Civil)	1,103.81	1,103.03	1,261.17	1,338.14	714.73	338.41
	Dr. 0.78		Cr. 76.97		Dr. 376.32	
110- RB Suspense CAO	526.52	278.94	544.82	279.00	82.36	-0.02
Net	Dr. 247.58		Dr. 265.82		Dr. 82.38	
112-TDS Suspense	0.00	42.33	0.00	185.19	0.00	269.40
Net	Cr. 42.33		Cr. 185.19		Cr. 269.40	
129-MPSSA	0.02	67.46	0.02	67.46	0.02	67.46
Net	Cr. 67.44		Cr. 67.44		Cr. 67.44	
Cash Remittances and adjustments, etc.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102-P.W. Remittances	66,973.96	66,587.64	66,973.96	66,587.64	66,973.96	66,587.64
Net	Dr. 386.32		Dr. 386.32		Dr. 386.32	
103-Forest Remittances	6,199.01	6,173.39	6,199.01	6,173.39	6,199.01	6,173.39
Net	Dr. 25.62		Dr. 25.62		Dr. 25.62	

The Reserve Bank of India debited ₹166.92 crore on account of decretal awards in favour of the Engineering Departments of the Government of West Bengal in different years including 2020-21. This amount has been lying under Suspense Head of Account (Major Head 8658-00-110 - Central Accounts Office - Reserve Bank Suspense) since 2004-05 for want of sanction orders from the Engineering Departments.

5.6. Major Cesses collected by the State Government

5.6.1. Buildings and other 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. The Act, inter alia, mandated constitution of a Building and Other Construction Workers' Welfare Board and framing of rules by every State Government to exercise the powers conferred under the Act. Accordingly, the Government of West Bengal have framed Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules and have constituted West Bengal Building & Other Construction Workers Welfare Board (WBB & OCWWB). The Board is responsible for the operation and maintenance of the amount credited by Government as Labour Cess Deposits.

During 2020-21, the Government collected of ₹360.66 crore as Labour Cess under deposit head '8342-00-113-Solatium Fund-002- West Bengal Buildings and other Construction Workers Welfare Cess'.

5.6.2. Motor Transport Workers' Welfare Cess

In terms of 'West Bengal, Motor Transport Workers Welfare Cess Act 2010', cess is collected on motor vehicles carrying passengers or goods by road for hire or reward for the financing of schemes to promote social security, health and welfare of motor transport workers and for matters connected therewith and incidental thereto. This cess so collected is deposited in the Public Account under the Major Head '8443-00-116-002-Deposit of West Bengal Motor Transport Workers' Welfare Cess Act 2010'.

During 2020-21, the Government collected ₹31.54 crore and deposited the amount so collected under Major Head '8443-00-116-002-Deposit of West Bengal Motor Transport Workers' Welfare Cess Act 2010'. An amount of ₹1.08 crore was withdrawn, leaving a balance ₹38.46 crore (Opening Balance as on 01 April 2020 ₹8.00 crore *plus* ₹31.54 crore *minus* ₹1.08 crore) at the end of 31 March 2021.

5.6.3. Other Cess

During the year 2020-2021, the Government collected ₹2,134.84 crore being the collection of cess (other than Labour cess and West Bengal Motor Transport Workers Welfare Cess) under West Bengal Rural Employment and Production Act, 1976, West Bengal Primary Education Act-1973 and Cess Act-1880. The amount of cess so collected has not been transferred to the relevant Fund by the State Government. Non-transfer of cess of ₹2,134.84 crore to the relevant Fund has resulted in understatement of Revenue deficit and Fiscal deficit to that extent as shown in para 9.7.

Details of other cesses collected during the year are given below:

(₹ in Crore)

Sl. No.	Head of Account	Description of Cess	Amount
1.	0029-00-103-001-08	Public Works Cess	7.92
2.	0029-00-103-002-08	Road Cess	8.13
3.	0029-00-103-008-08	Education Cess on Coal Mines	420.56
4.	0029-00-103-010-08	Education Cess other than Tea Estates and Coal Mines	8.58
5.	0029-00-103-003-08	Miscellaneous receipt under the Cess	0.87
6.	0029-00-103-004-08	Rural Employment Cess other than Tea Estates and Coal Mines	6.56
7.	0029-00-103-006-08	Rural Employment Cess on Coal Mines	1,682.22
Total:			2,134.84

5.7. Adverse Balance

Minus balances appearing in the accounts during the year are given below. The minus balances under these heads were due to misclassification and are under review/corrections.

(₹ in Crore)

Major Heads	Major Head Description	Minus balance
7610	Loans to Government Servants etc.	0.03
8011	Insurance and Pension Funds	218.98
8342	Other Deposits	168.85
Total		387.86

5.8. Cash Balance

The Cash balance as on 31 March 2021 as per record of Principal Accountant General was ₹20.37 crore (Credit) and that reported by the RBI was ₹0.99 crore (Debit). There was a net difference of ₹19.38 crore (Credit), mainly due to non-reconciliation of figures by RBI and the agency bank branches. The difference is under reconciliation.

The differentials in Cash Balance for the previous years are given below:

(₹ in Crore)

Year	Cash Balance
Upto 2015-16	73.18 (Dr.)
2016-17	51.75 (Cr.)
2017-18	21.26 (Dr.)
2018-19	17.33 (Cr.)
2019-20	18.64 (Cr.)
2020-21	19.38 (Cr.)

5.9. Cash Balance and Investment of Cash Balance

(₹ in Crore)

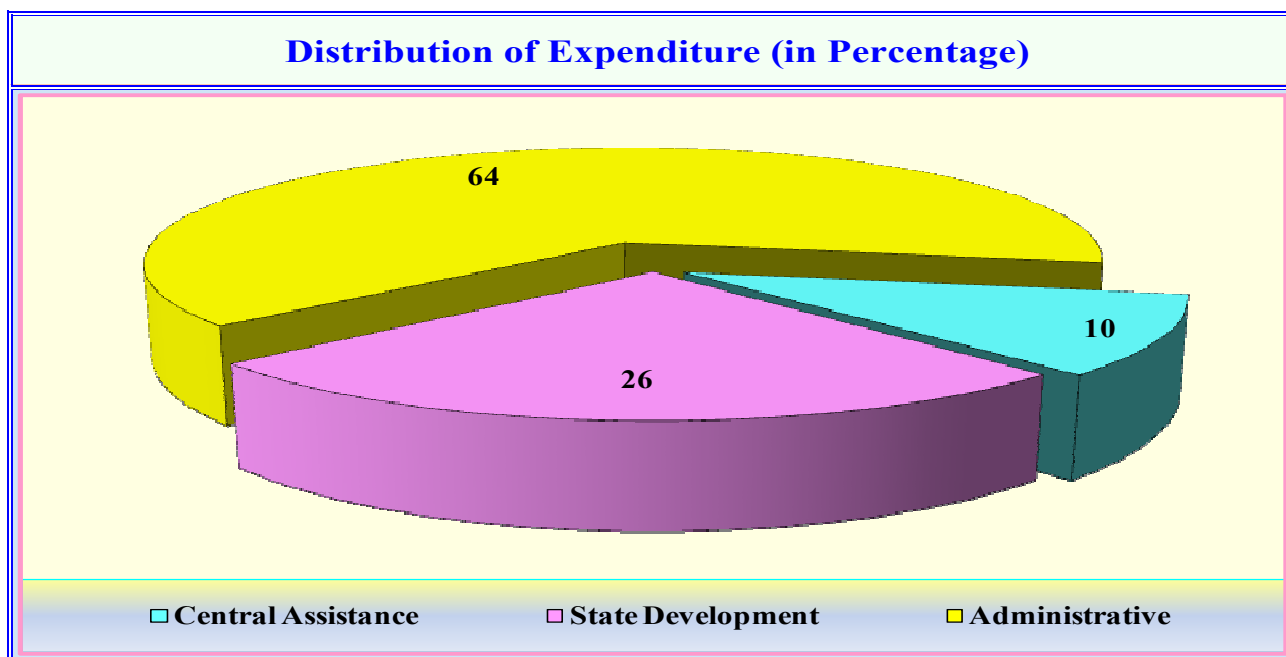
Component	As on 1 April 2020	As on 31 March 2021	Net increase(+)/ decrease(-)
Cash Balance	(-)20	(-) 20	0
Investments from cash balance (GOI Treasury Bills)	13,159	21,238	8,079
Investments from Earmarked Funds	12,524	11,026	(-) 1,498
(a) Sinking Fund	11,788	10,197	(-) 1,591
(b) Guarantee Redemption Fund	552	646	94
(c) Other Funds	184	183	(-1)
Interest realised	97	63	(-) 34

CHAPTER-VI

SCHEME & ADMINISTRATIVE EXPENDITURE

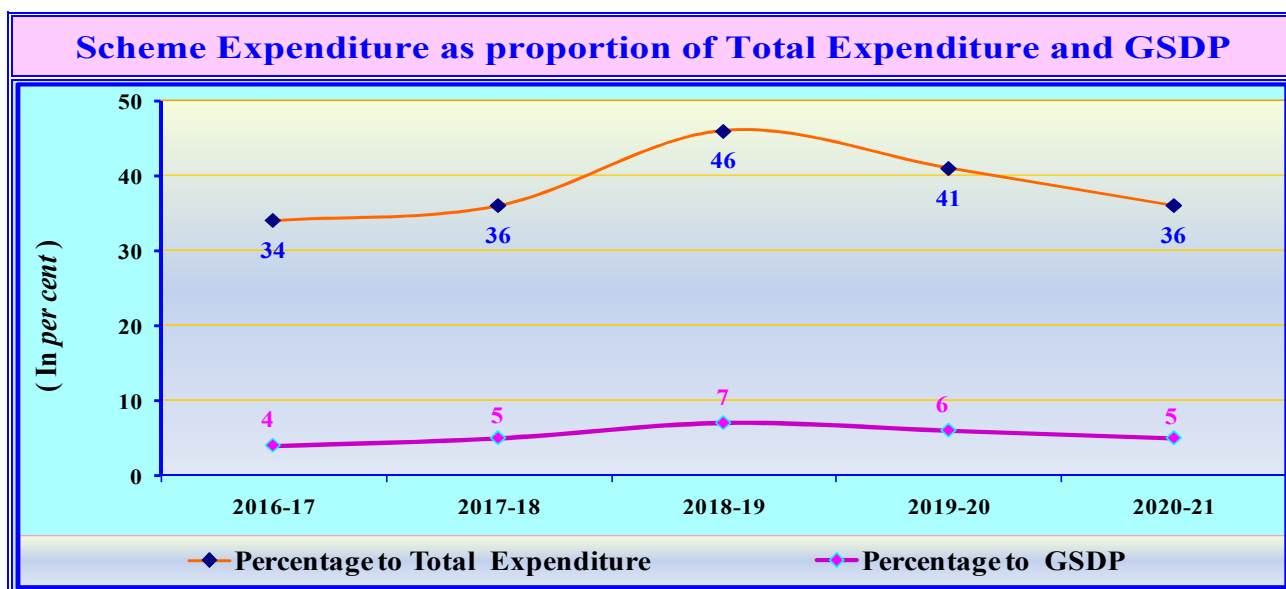
6.1. Distribution of Expenditure

The total expenditure during the year was ₹1,93,232 crore representing State Development expenditure of ₹49,128 crore, Central Assistance expenditure of ₹19,814 crore and Administrative expenditure of ₹1,24,290 crore.



6.2. Scheme Expenditure

During 2020-21, Scheme expenditure, representing 36 *per cent* of total disbursements, was ₹68,942 crore [₹48,389 crore under State Development Scheme, ₹19,600 crore under State Development (Central Assistance) Scheme, ₹597 crore under Central Sector Scheme and ₹356 crore on Loans and Advances].

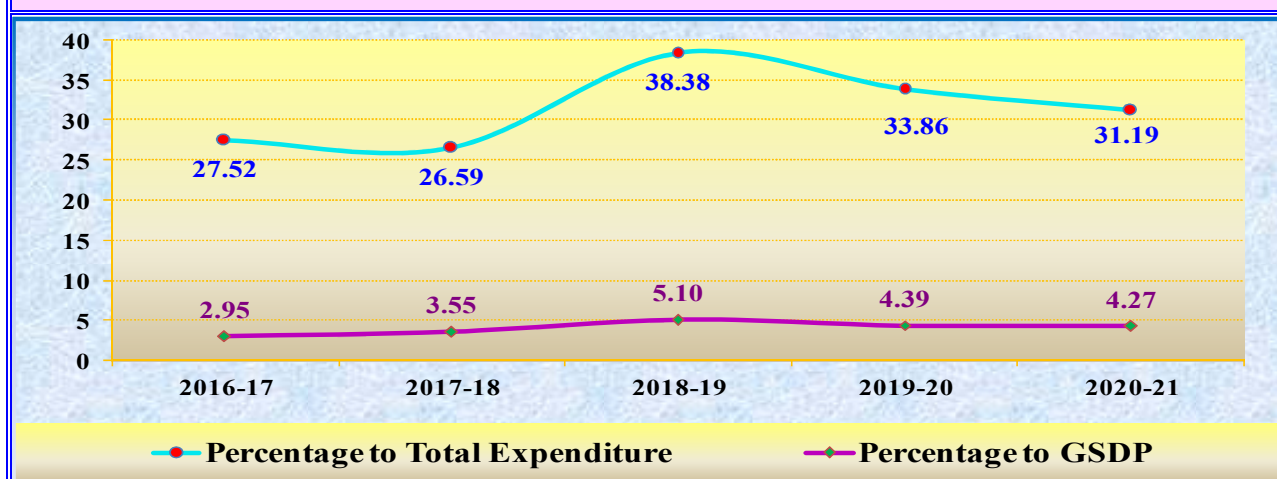


6.2.1. Scheme Expenditure under Revenue Account

(₹ in Crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Total Revenue Expenditure	1,33,918	1,41,077	1,56,374	1,62,575	1,77,921
Revenue Expenditure (Scheme)	36,854	37,515	60,022	55,044	55,497
Percentage of Revenue Expenditure (Scheme) to Total Revenue Expenditure	28	27	38	34	31

Scheme Expenditure under Revenue Account (In per cent)



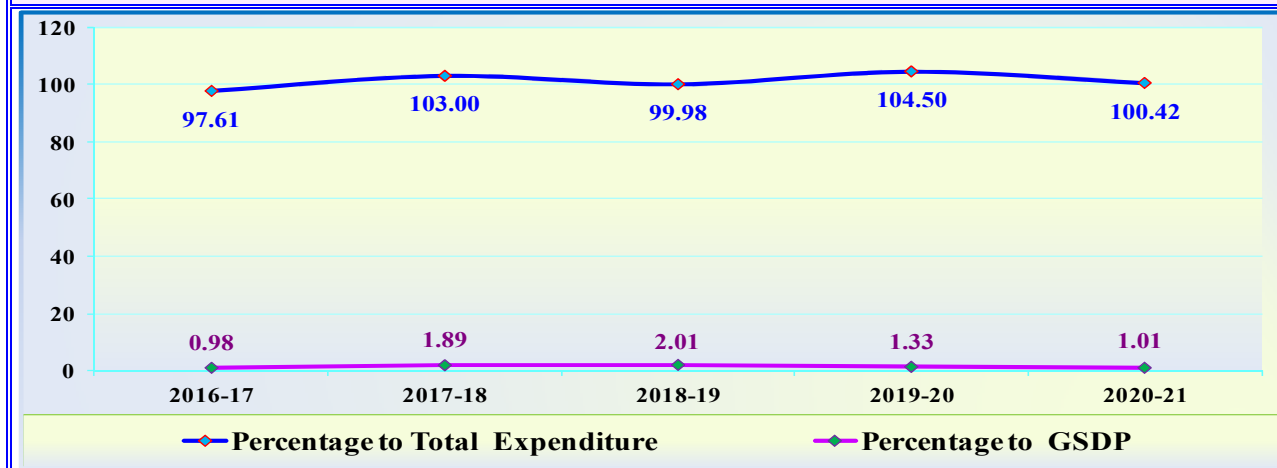
6.2.2. Scheme Expenditure under Capital Account

(₹ in Crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
Total Capital Expenditure	12,533	19,338	23,717	15,971	13,034
Capital Expenditure (Scheme)	12,236	19,919	23,712	16,690	13,089
Percentage of Capital Expenditure (Scheme) to Total Capital Expenditure	98	103	100	105	100

Note: Capital Expenditure includes Loans and Advances.

Scheme Expenditure under Capital Account (In per cent)



6.2.3. Scheme Expenditure on Loans and Advances

Significant disbursements of Loans and Advances were as under:

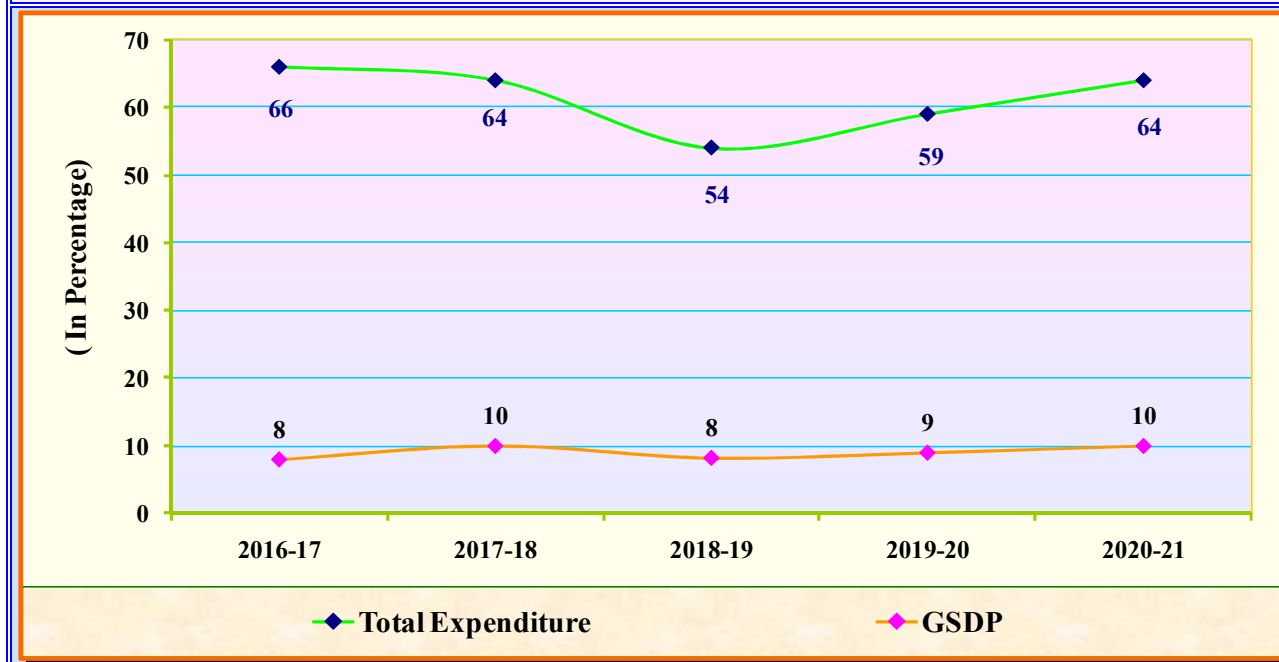
(₹ in Crore)

Description	Amount	Details
MH – 6217 – Loans for Urban Development	213.86	Loan to Kolkata Municipal Corporation for Kolkata Environmental Improvement Investment Program (KEIIP) (ADB) [EAP].
MH – 6225 – Loans for Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes and Minorities	40.00	Loans to meritorious and needy students on minority communities studying professional/Technical/Vocational ₹20.00 crore and Soft loans to Individual minority youths for Small and Medium business ₹20.00 crore.
MH – 6425 – Loans for Co-operation	0.02	Loan to Consumers' Co-operatives for Distribution of Consumers' Article in Rural Areas
MH – 6575 – Loans for Other Special Areas Programmes	5.05	Loan to Back to Back Loan for Repayment of CCL raised for Jai Bangla Scheme & payment of Interest thereon [PN].
MH – 6851- Loans for Village and Small Industries	0.08	Loan to West Bengal State Leather Industries Ltd. [CS].
MH – 7055 – Loans for Road Transport	88.25	Loans to Calcutta State Transport Corporation ₹18.06 crore, North Bengal State Transport Corporation ₹ 13.54 crore, South Bengal State Transport Corporation ₹17.03 crore, West Bengal Surface Transport Corporation Ltd ₹9.72 crore, Calcutta Tramways Company Ltd. ₹17.38 crore, Calcutta State Transport Corporation ₹4.00 crore, North Bengal State Transport Corporation ₹1.50 crore, South Bengal State Transport Corporation ₹1.80 crore, Calcutta State Transport Corporation ₹3.18 crore, North Bengal State Transport Corporation ₹0.54 crore and South Bengal State Transport Corporation ₹1.50 crore for development of road transport services.
MH – 7056 - Loans for Inland water Transport	8.31	Loans to West Bengal Surface Transport Corporation Ltd. for development and maintenance of IWT Service ₹8.09 crore and Shalimar Works (1980) Ltd. ₹0.22 crore.

6.3. Administrative Expenditure

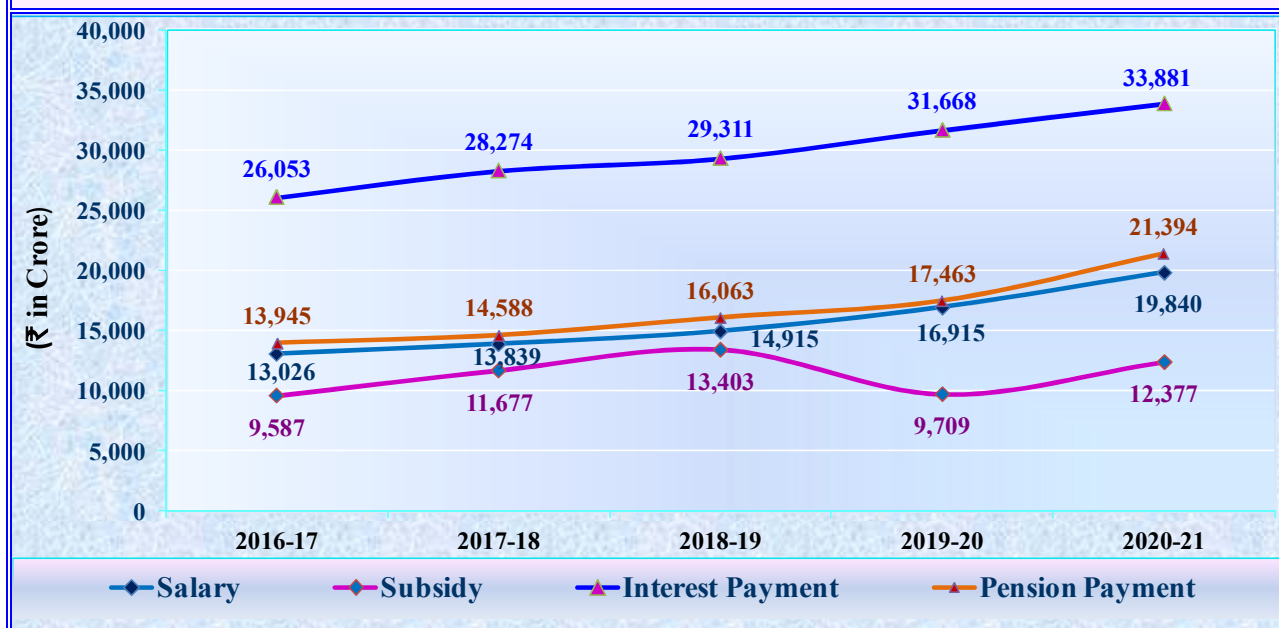
During 2020-21, Non-Plan expenditure representing 64 *per cent* of total disbursements, was ₹1,24,290 crore, (₹1,22,425 crore under Revenue and ₹1,865 crore under Capital).

Administrative Expenditure as proportion of Total Expenditure and GSDP



6.4. Committed Expenditure

Trend of Committed Expenditure



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

(₹ in Crore)

Component	2016-17	2017-18	2018-19	2019-20	2020-21
Committed Expenditure	62,611	68,378	73,692	75755	87,492
Revenue Expenditure	1,33,918	1,41,077	1,56,374	162575	1,77,921
Revenue Receipts	1,17,832	1,31,270	1,45,975	142914	1,48,394
Percentage of Committed Expenditure to Revenue Receipts	53	52	50	53	59
Percentage of Committed Expenditure to Revenue Expenditure	47	48	47	47	49

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

CHAPTER-VII

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of West Bengal for the year 2020-21 present the Accounts of sums expended in the year ended 31 March 2021 compared with the sums specified in the Schedules appended to the Appropriation Act passed under Articles 204 and 205 of the Constitution of India.

7.1. Summary of Appropriation Accounts

(₹ in Crore)

Nature of Expenditure		Original Grant	Supplementary Grant	Surrender (by way of Re-appropriation)	Total	Actual Expenditure	Savings(-) Excess(+)
Revenue	Voted	1,48,132	14,716	--	1,62,848	1,49,359	(-) 13,489
	Charged	33,286	3,313	--	36,599	34,109	(-) 2,490
Capital	Voted	31,705	328	--	32,033	14,043	(-) 17,990
	Charged	9	24	--	33	17	(-) 16
Public Debt	Voted	--	--	--	--	--	--
	Charged	44,289	4,040	--	48,329	26,889	(-) 21,440
Loans and Advances	Voted	943	3,071	--	4,014	2,277	(-) 1,737
	Charged	--	--	--	--	--	--
Total		2,58,364	25,492	--	2,83,856	2,26,694	(-) 57,162

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

(₹ in Crore)

Year	Savings (-)/Excess (+)				
	Revenue	Capital	Public Debt	Loans & Advances	Total
2016-17	(-) 11,165	(-) 9,652	(-) 29,343	(-) 255	(-) 50,415
2017-18	(-) 13,491	(-) 6,221	(-) 24,493	(-) 3,007	(-) 47,212
2018-19	(-) 7,851	(-) 4,609	4,200	(-) 246	(-) 8,506
2019-20	(-) 24,063	(-) 13,353	(-) 9,835	(-) 356	(-) 47,607
2020-21	(-) 15,979	(-) 18,006	(-) 21,440	(-) 1,737	(-) 57,162

7.3. 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 in next page:

(In percentage)

Grant No.	Name of Grant	2016-17	2017-18	2018-19	2019-20	2020-21
01	Legislative Assembly Secretariat	48	42	38	32	30
02	Governor's Secretariat	32	30	17	38	27
04	Agricultural Marketing	65	62	41	62	81
05	Agriculture	33	33	13	52	58
10	Consumer Affairs	22	23	32	40	35
16	Environment	34	40	36	47	71
22	Food Processing Industries & Horticulture	50	60	45	65	66
32	Irrigation and Waterways	46	45	40	42	46
38	Minority Affairs and Madrasah Education	49	32	19	43	50
52	Tourism	64	62	41	40	74
55	Water Resources Investigation & Development	25	25	20	24	35

During 2020-21, out of total Supplementary Grants of ₹25,491 crore, an amount of ₹15,504 crore proved to be unnecessary in 8 grants where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supplementary	Actual Expenditure
5	Agriculture	6,690	425	2,978
18	Finance	1,00,665	7,366	84,477
25	Public Works	6,497	228	5,526
32	Irrigation and Waterways	3,430	12	1,846
38	Minority Affairs and Madrasah Education	4,419	93	2,244
40	Panchayats & Rural Development	22,479	4,553	21,023
43	Power	2,574	694	2,020
72	Urban Development and Municipal Affairs	11,808	2,133	8,516

A few cases where there were excess expenditure at the end of the year even after Supplementary allocations were made are given below:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supplementary	Actual Expenditure
07	Backward Classes & Welfare	1,044	652	2,050
68	Home and Hill Affairs	10,377	286	11,028
73	Disaster Management and Civil Defence	1,845	2,541	6,876

CHAPTER-VIII

ASSETS AND LIABILITIES

8.1. Assets

The existing form of accounts do 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 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 ₹18,288.32 crore at the end of 2020-21. However, dividends received during the year were ₹1.99 crore (0.01 *per cent*) on investment. During 2020-21, investment increased by ₹133.95 crore, while dividend income decreased by ₹79.98 crore.

Cash Balance with RBI stood at (-) ₹20.26 crore on 31 March 2020 and decreased to (-) ₹20.37 crore at the end of March 2021. In addition Treasury Bills amounting to ₹1,33,731.81 crore were purchased and Treasury Bills amounting to ₹1,25,698.37 crore were sold during the period from 01.04.2020 to 31.03.2021. An amount of ₹45.45 crore was received as interest on Investment under Treasury Bills during the year.

(₹ in Crore)

Cash Balance Investment in Government of India Treasury Bills			
Opening Balance as on 1 April 2020	Purchased During 2020-21	Sold* During 2020-21	Closing Balance as on 31 March 2021
13,158.80	1,33,731.81	1,25,652.92	21,237.69

(*) Sold excludes ₹45.45 crore as interest.

8.2. 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:

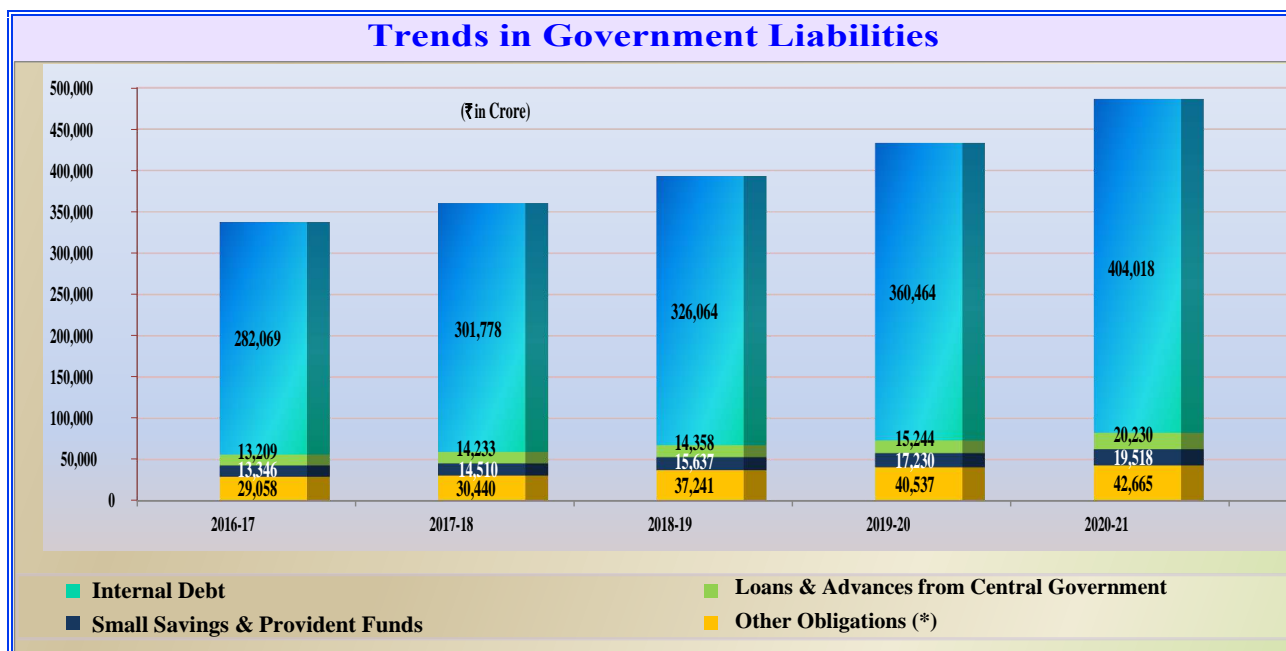
(₹ in Crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2016-17	2,95,278	24	42,404	3	3,37,682	27
2017-18	3,16,011	30	44,950	4	3,60,961	34
2018-19	3,40,422	29	52,878	4	3,93,300	33
2019-20	3,75,708	30	57,767	5	4,33,475	35
2020-21	4,24,247	33	62,182	5	4,86,430	37

(*) Excludes suspense and remittance balances.

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

During last five years, Public Debt increased by 44 *per cent*.



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

8.3. Guarantees given by the Government

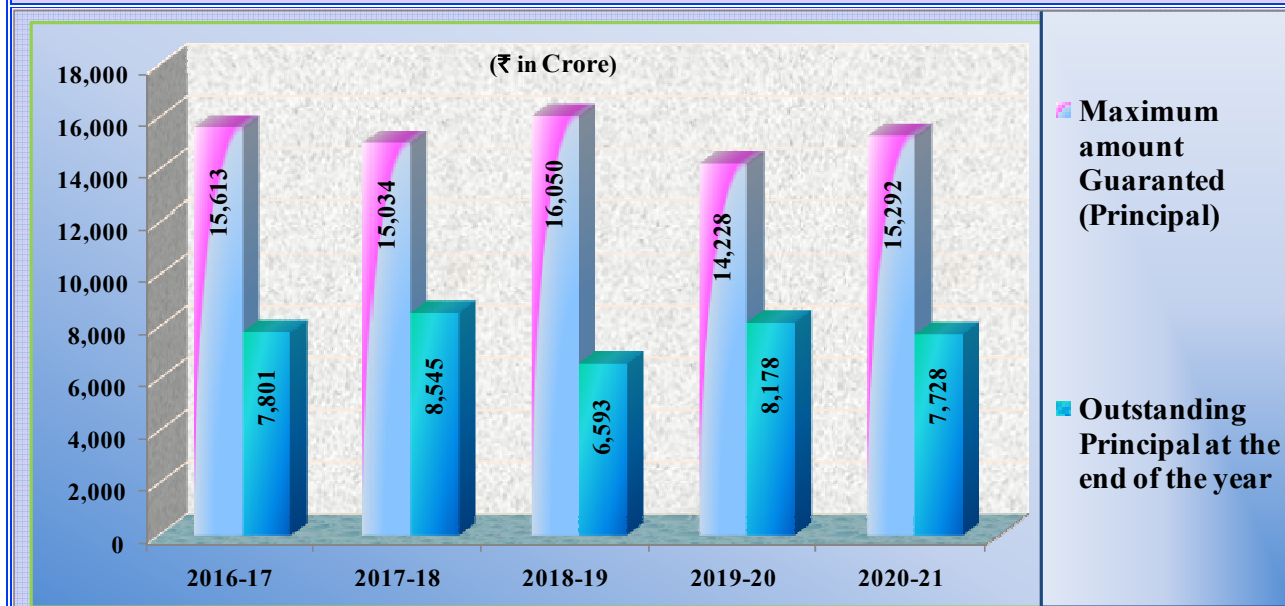
In terms of the West Bengal Ceiling on Government Guarantees Act, 2001, the total outstanding Government Guarantees as on 01 April of any year shall not exceed 90 *per cent* of the State Revenue Receipts of the second preceding year. During the year, the State Government issued guarantee of ₹8,578.51 crore. The outstanding guarantees of ₹8,178.43 crore as on 01 April 2020, work out to 5.60 *per cent* of the State Revenue Receipts of the year 2018-2019 (₹1,45,975.25 crore) and are within the limits prescribed.

During 2020-21, the State Government received ₹20.41 crore towards guarantee commission, which constituted 0.24 *per cent* of the guaranteed amount during 2020-21 (₹8,578.51 crore). Under the Government Guarantee Act 2001, the Government shall charge a minimum of one *per cent* of the guaranteed amount as guarantee commission which works out to ₹85.79 crore.

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 at the end of the year	
		Principal	Interest
2016-17	15,613	7,801	16
2017-18	15,034	8,545	25
2018-19	16,050	6,593	29
2019-20	14,228	8,178	34
2020-21	15,292	7,728	93

Guarantees



The Government of West Bengal has included a disclosure in the Fiscal Responsibility and Budget Management Document that Guarantee Redemption Fund has been constituted vide notification bearing No. 1240-FB dated 02.01.2015. During 2020-21 State Government has contributed ₹50.00 crore and Interest accrued ₹43.92 crore. Outstanding Guarantee as on 01 April 2020 was ₹8,178 crore.

CHAPTER-IX

OTHER ITEMS

9.1. Submission of Accounts by Accounts Rendering Units

There are 91 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 26.96 days. However, there was no exclusion of accounts at the end of the year.

9.2. Reconciliation of Receipts and Expenditure between CCOs and Accountant General (A&E)

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E), West Bengal. During the year, receipts amounting to ₹2,23,973.18 crore (100 *per cent* of total receipts) and expenditure amounting to ₹2,20,121.09 crore (100 *per cent* of total expenditure) were reconciled by the State Government.

9.3. Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2020-21 were ₹16,106 crore. Of this, Loans and Advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies amounted to ₹16,099 crore. During the year, ₹118 crore was received as interest.

9.4. Opening of New Sub Heads/Detailed Heads of Accounts without advice

During 2020-21, the State Government of West Bengal opened 51 new Sub Heads (25 under the Revenue Section, 15 under Capital section and 11 under both Revenue and Capital) in the budget, without seeking the advice of the Accountant General as required under the provisions of Article 150 of the Constitution of India. The State Government provided budget provisions under these heads and incurred expenditure of ₹903.66 crore under the Revenue Section and ₹234.82 crore under the Capital Section in these heads during 2020-21. No ex-post-facto approval has been obtained by the State Government as on 31 March, 2021.

9.5. Off-Budget Liabilities of State Government

The Fifteenth Finance Commission recommended that all committed expenditure and developmental expenditure are met from the augmented borrowing space without resort to off-budget or any non-transparent means of financing for any expenditure. The State Government has an off-budget liability not reflected in the accounts towards various Financial Institutions during 2020-21, in addition to the outstanding liabilities of ₹4,86,429.81 crore as on 31.03.2021. The details off-budget liabilities as furnished by the State Government are given in next page:

(₹ in Crore)

Sl. No.	Name of the Institutions/Organizations	Amount
1.	West Bengal Scheduled Castes, Scheduled Tribes & Other Backward Classes Development & Financial Corporation	491.50
2.	West Bengal Women Development Undertaking	1,260.54
3.	West Bengal State Seed Corporation Limited	638.16
4.	Swasthya Sathi Samiti	551.24
5.	West Bengal Folk & Tribal Cultural Centre	75.20
Total		3,016.64

The State Government is not disclosing the off-budget liabilities in their budget documents/annual financial statements.

9.6. Disclosures in accordance with Indian Government Accounting Standards (IGAS)

9.6.1. Guarantees given by Governments (IGAS-1)

IGAS-1 requires that sector-wise and class-wise disclosures on guarantees given by the State Government should be incorporated in Finance Accounts. Statements 9 and 20 show the details of Guarantees given by the State Government and the interest on the guaranteed amount. Both sector-wise and class-wise details have been disclosed in Finance Accounts of the State. However, information regarding invocation of Guarantees during 2020-21 and automatic debit mechanism and structured arrangement were not provided by the State Government.

The details on Guarantees reported in Statements 9 and 20 prepared as per IGAS 1, are on the basis of the information provided by the State Government.

9.6.2. Accounting and Classification of Grants-in-aid (IGAS-2)

As per IGAS-2, expenditure relating to Grants-in-aid should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor General of India. Requirements regarding accounting and classification of Grants-in-aid given by the State Government have been depicted in Statement 10 and Appendix III which are prepared as per the requirements of IGAS 2. No amount towards Grants-in-aid was booked under Capital Heads. Detailed information in respect of Grants-in-aid given in kind has not been furnished by the State Government.

9.6.3. Loans and Advances made by the Government (IGAS-3)

IGAS-3 requires disclosure on Loans and Advances made by the Union and the State Governments.

Statements 7 and 18 of the Finance Accounts 2020-21 have been prepared incorporating the disclosures under IGAS 3. The details of loans and advances reported in these Statements of the Finance Accounts are based on information received through the accounts rendered to the Accountant General (A&E) and detailed accounts maintained by the Accountant General (A&E) in respect of loans and advances made

to Government servants. The closing balances depicted in Statements 7 and 18 as on 31 March 2021 have not been reconciled with the Loanee Entities/State Government. The State Government has also not furnished the figures in respect of certain loans and advances for which they maintain detailed accounts.

The accounts indicate the following:

In respect of old loans (detailed accounts of which are maintained by the Accountant General (A&E)) amounting to ₹780.93 crore involving 14 Departments, recoveries of principal and interest have not been effected during the past several years and one such loan is more than 50 years old.

Seven (7) Departments sanctioned 6,482 Government Loans aggregating ₹7,519.69 crore to 30 Autonomous Bodies/PSUs, Authorities, etc. till the end of 2020-21, though no repayment had been received from the concerned loanees in respect of previous loans. The previous loans were given during the period 1965-66 to 1994-95.

Terms and conditions of repayment of loans have not been settled for loans amounting to ₹8,753.58 crore to Statutory Bodies/Other entities (details in Additional Disclosures to Statement 18). Consequently, the receivables of the State Government on this account could not be estimated.

Recovery of loans given to Statutory Bodies/PSUs, etc. amounting to ₹15,956.89 crore was overdue at the end of the year (details in Statement 7, Section 3).

The Accountant General (A&E) annually communicates loan balances (where detailed accounts are maintained by the Accountant General) to the loan sanctioning departments for verification and acceptance. Only 7 out of the 124 loanees have confirmed the balances.

Details of information awaited from Departmental/Treasury Officers for Reconciliation of Balances have been provided in Appendix-VII of Finance Accounts.

9.7. Impact on the Revenue Deficit and Fiscal Deficit

The impact on the Revenue Deficit and Fiscal Deficit of the Government of West Bengal as brought out in the preceeding paras is tabulated below:-

(₹ in Crore)

Sl. No.	Item (Illustrative)	Impact on Revenue Deficit		Impact on Fiscal Deficit	
		Overstatement	Understatement	Overstatement	Understatement
1.	Misclassification between revenue and capital	--	1,187.00	--	--
2.	Non-payment of interest on State Compensatory Afforestation Deposit	--	8.28	--	8.28
3.	Non-payment of interest on State Disaster Response Fund	--	37.79	--	37.79
4.	Non-recoupment of Contingency Fund drawal	--	0.01	--	6.70
5.	Non-Transfer of Cess collected as other Cess	--	2,134.84	--	2,134.84
Total (Net) Impact		3,367.92 Understatement		2,187.61 Understatement	

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